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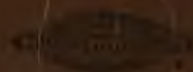
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EXTRACTS FROM THE PUBLIC UTTERANCES OF WM. H. TAFT.

"The fundamental objection to the proposed (Democratic) plan to guarantee deposits in national banks is that it puts a premium on reckless banking. It would promote speculation at the expense of his fellow-banker, and that ultimately means at the expense of the depositors."—At Hot Springs, Va., August 25, 1908.

"Never in the history of this country has there been an Administration that has passed more measures directly in the interest of the laboring classes than has the present Republican Administration."—At Athens, Ohio, August 29, 1908.

"I believe that equal justice to all men and the fair and impartial enforcement of these (the Thirteenth, Fourteenth and Fifteenth) amendments are in keeping with the real American spirit of fair play."—From Address of Acceptance, July 28, 1908.

"Evils are to be suppressed by definite and practical measures—not by oratory or denunciation."—At Greensboro, N. C., July 9, 1906.

"The present business system of the country rests on the protective tariff and any attempt to change it to a free trade basis will certainly lead to disaster."—At Columbus, Ohio, August 19, 1907.

"I would favor a provision allowing the defendant in contempt proceedings to challenge the judge issuing the injunction and to call for the designation of another judge to hear the issue."—At Cooper Union, N. Y., January 10, 1908.

"The President should always be near the people in thought and as near them in person as his position will permit. Once convinced that he has divined and is carrying out their real wish, neither elated by any ephemeral outburst of applause nor diverted by an outburst of censure, he must proceed unwaveringly, always by lawful methods, to the accomplishment of the popular will."—From Mr. Taft's "Conception of the Presidency," in Col-

REPUBLICAN  
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Mr. Ta.

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# **SPEECH**

OF

## **HON. WILLIAM HOWARD TAFT.**

**At Cincinnati, O., July 28, 1908, Accepting the Republican Nomination for the Office of President of the United States.**

---

*Senator Warner and Gentlemen of the Committee:*

I am deeply sensible of the honor which the Republican National Convention has conferred on me in the nomination which you formally tender. I accept it with full appreciation of the responsibility it imposes.

### **Republican Strength in Maintenance of Roosevelt Policies.**

Gentlemen, the strength of the Republican cause in the campaign at hand is in the fact that we represent the policies essential to the reform of known abuses, to the continuance of liberty and true prosperity, and that we are determined, as our platform unequivocally declares, to maintain them and carry them on. For more than ten years this country passed through an epoch of material development far beyond any that ever occurred in the world before. In its course certain evils crept in. Some prominent and influential members of the community, spurred by financial success and in their hurry for greater wealth, became unmindful of the common rules of business honesty and fidelity and of the limitations imposed by law upon their actions. This became known. The revelations of the breaches of trust, the disclosures as to rebates and discriminations by railways, the accumulating evidence of the violation of the anti-trust law by a number of corporations, the overissue of stocks and bonds on interstate railways for the unlawful enriching of directors and for the purpose of concentrating control of railways in one management, all quickened the conscience of the people, and brought on a moral awakening among them that boded well for the future of the country.

### **What Roosevelt Has Done.**

The man who formulated the expression of the popular conscience and who led the movement for practical reform was Theodore Roosevelt. He laid down the doctrine that the rich violator of the law should be as amenable to restraint and punishment as the offender without wealth and without influence, and he proceeded by recommending legislation and directing executive action to make that principle good in actual performance. He secured the passage of the so-called rate bill, designed more effectively to restrain excessive and fix reasonable rates, and to

punish secret rebates and discriminations which had been general in the practice of the railroads, and which had done much to enable unlawful trusts to drive out of business their competitors. It secured much closer supervision of railway transactions and brought within the operation of the same statute express companies, sleeping car companies, fast freight and refrigerator lines, terminal railroads and pipe lines, and forbade in future the combination of the transportation and shipping business under one control in order to avoid undue discrimination.

President Roosevelt directed suits to be brought and prosecutions to be instituted under the anti-trust law to enforce its provisions against the most powerful of the industrial corporations. He pressed to passage the pure food law and the meat inspection law in the interest of the health of the public, clean business methods and great ultimate benefit to the trades themselves. He recommended the passage of a law, which the Republican convention has since specifically approved, restricting the future issue of stocks and bonds by interstate railways to such as may be authorized by Federal authority. He demonstrated to the people by what he said, by what he recommended to Congress, and by what he did the sincerity of his efforts to command respect for the law, to secure equality of all before the law, and to save the country from the dangers of a plutocratic government, toward which we were fast tending. In this work Mr. Roosevelt has had the support and sympathy of the Republican party, and its chief hope of success in the present controversy must rest on the confidence which the people of the country have in the sincerity of the party's declaration in its platform that it intends to continue his policies.

**Necessary to Devise Some Means of Permanently Securing Progress Made.**

Mr. Roosevelt has set high the standard of business morality and obedience to law. The railroad rate bill was more useful possibly in the immediate moral effect of its passage than even in the legal effect of its very useful provisions. From its enactment dates the voluntary abandonment of the practice of rebates and discriminations by the railroads and the return by their managers to obedience to law in the fixing of tariffs. The pure food and meat inspection laws and the prosecutions directed by the President under the anti-trust law have had a similar moral effect in the general business community and have made it now the common practice for the great industrial corporations to consult the law with a view to keeping within its provisions. It has also had the effect of protecting and encouraging smaller competitive companies so that they have been enabled to do a profitable business.

*But we should be blind to the ordinary working of human na-*

ture if we did not recognize that the moral standards set by President Roosevelt will not continue to be observed by those whom cupidity and a desire for financial power may tempt unless the requisite machinery is introduced into the law which shall in its practical operation maintain these standards and secure the country against a departure from them.

**Chief Function of Next Administration to Clinch What Has Been Done.**

The chief function of the next administration, in my judgment, is distinct from, and a progressive development of, that which has been performed by President Roosevelt. The chief function of the next administration is to complete and perfect the machinery by which these standards may be maintained, by which the lawbreakers may be promptly restrained and punished, but which shall operate with sufficient accuracy and dispatch to interfere with legitimate business as little as possible. Such machinery is not now adequate. Under the present rate bill, and under all its amendments, the burden of the Interstate Commerce Commission in supervising and regulating the operation of the railroads of this country has grown so heavy that it is utterly impossible for that tribunal to hear and dispose, in any reasonable time, of the many complaints, queries and issues that are brought before it for decision. It ought to be relieved of its jurisdiction as an executive, directing body, and its functions should be limited to the quasi-judicial investigation of complaints by individuals, and by a department of the Government, charged with the executive business of supervising the operation of railways.

**Publicity and Supervision.**

There should be a classification of that very small percentage of industrial corporations having power and opportunity to effect illegal restraints of trade and monopolies, and legislation either inducing or compelling them to subject themselves to registry and to proper publicity regulations and supervision of the Department of Commerce and Labor.

**Constructive Work of Next Administration to Organise Subordinate and Ancillary Machinery to Maintain Standards on One Hand, and Not to Interfere With Business on the Other.**

The field covered by the industrial combinations and by the railroads is so very extensive that the interests of the public and the interests of the businesses concerned cannot be properly subserved except by reorganization of bureaus in the Department of Commerce and Labor, of Agriculture and the Department of Justice, and a change in the jurisdiction of the Interstate Commerce Commission. It does not assist matters to prescribe new duties for the Interstate Commerce Commission, which it is practically

impossible for it to perform, or to denounce new offenses with drastic punishment, unless subordinate and ancillary legislation shall be passed making possible the quick enforcement in the great variety of cases which are constantly arising of the principles laid down by Mr. Roosevelt, and with respect to which only typical instances of prosecution with the present machinery are possible. Such legislation should and would greatly promote legitimate business by enabling those anxious to obey the Federal statutes to know just what are the bounds of their lawful action. The practical constructive and difficult work, therefore, of those who follow Mr. Roosevelt is to devise the ways and means by which the high level of business integrity and obedience to law which he has established may be maintained and departures from it restrained without undue interference with legitimate business.

**Railway Traffic Agreements Approved by Commission Should be Valid.**

It is agreeable to note in this regard that the Republican platform expressly, and the Democratic platform impliedly, approve an amendment to the interstate commerce law by which interstate railroads may make useful traffic agreements if approved by the Commission. This has been strongly recommended by President Roosevelt, and will make for the benefit of the business.

**Physical Valuation of Railways.**

Some of the suggestions of the Democratic platform relate really to this subordinate and ancillary machinery to which I have referred. Take, for instance, the so-called "physical valuation of railways." It is clear that the sum of all rates or receipts of a railway, less proper expenses, should be limited to a fair profit upon the reasonable value of its property, and that if the sum exceeds this measure it ought to be reduced. The difficulty in enforcing the principle is in ascertaining what is the reasonable value of the company's property, and in fixing what is a fair profit. It is clear that the physical value of a railroad and its plant is an element to be given weight in determining its full value; but as President Roosevelt in his Indianapolis speech and the Supreme Court have in effect pointed out, the value of the railroad as a going concern, including its good will, due to efficiency of service and many other circumstances, may be much greater than the value of its tangible property, and it is the former that measures the investment on which a fair profit must be allowed. Then, too, the question what is a fair profit is one involving not only the rate of interest usually earned on normally safe investments, but also a sufficient allowance to make up for the risk of loss both of capital and interest in the original outlay. These considerations will have justified the company in imposing charges high enough to secure a fair income on the

enterprise as a whole. The securities at market prices will have passed into the hands of subsequent purchasers from the original investors. Such circumstances should properly affect the decision of the tribunal engaged in determining whether the totality of rates charged is reasonable or excessive. To ignore them might so seriously and unjustly impair settled values as to destroy all hope of restoring confidence, and forever to end the inducement for investment in new railroad construction which, in returning prosperous times, is sure to be essential to our material progress. As Mr. Roosevelt has said in speaking of this very subject:

"The effect of such valuation and supervision of securities cannot be retroactive. Existing securities should be tested by laws in existence at the time of their issue. This nation would no more injure securities which have become an important part of the national wealth than it would consider a proposition to repudiate the national debt."

The question of rates and the treatment of railways is one that has two sides. The shippers are certainly entitled to reasonable rates; but less is an injustice to the carriers. Good business for the railroads is essential to general prosperity. Injustice to them is not alone injustice to stockholders and capitalists, whose further investments may be necessary for the good of the whole country, but it directly affects and reduces the wages of railway employees, and indeed may deprive them of their places entirely.

From what has been said the proper conclusion would seem to be that in attempting to determine whether the entire schedule of rates of a railway is excessive the physical valuation of the road is a relevant and important, but not necessarily a controlling factor.

**Physical Valuation Properly Used Will Not Generally Impair Securities.**

I am confident that the fixing of rates on the principles suggested above would not materially impair the present market values of railroad securities in most cases, for I believe that the normal increase in the value of railroad properties, especially in their terminals, will more than make up for the possible overcapitalization in earlier years. In some cases, doubtless, it will be found that overcapitalization is made an excuse for excessive rates, and then they should be reduced. But the consensus of opinion seems to be that the railroad rates generally in this country are reasonably low. This is why, doubtless, the complaints filed with the Interstate Commerce Commission against excessive rates are so few as compared with those against unlawful discrimination in rates between shippers and between places. Of course, in the determination of the question whether discrimination is unlawful or not the physical valuation of the whole road is of little weight.



**Conclusion That There Should be Physical Valuation.**

I have discussed this, with some degree of detail, merely to point out that the valuation by the Interstate Commerce Commission of the tangible property of a railroad is proper and may from time to time be necessary in settling certain issues which may come before it, and that no evil or injustice can come from valuation in such cases, if it be understood that the result is to be used for a just purpose and the right to a fair profit under all the circumstances of the investment is recognized. The Interstate Commerce Commission has now the power to ascertain the value of the physical railroad property if necessary in determining the reasonableness of rates. If the machinery for doing so is not adequate, as is probable, it should be made so.

The Republican platform recommends legislation forbidding the issue in the future of interstate railway stocks and bonds without Federal authority. It may occur in such cases that the full value of the railway, and, as an element thereof, the value of the tangible property of the railway would be a relevant and important factor in assisting the proper authority to determine whether the stocks and bonds to be issued were to have proper security behind them, and in such case, therefore, there should be the right and machinery to make a valuation of the physical property.

**National Control of Interstate Commerce Corporations.**

Another suggestion in respect to subordinate and ancillary machinery necessary to carry out Republican policies is that of the incorporation under national law or the licensing by national license or enforced registry of companies engaged in interstate trade. The fact is that nearly all corporations doing a commercial business are engaged in interstate commerce, and if they all were required to take out a Federal license or a Federal charter the burden upon the interstate business of the country would become intolerable.

**Should be Limited to Small Percentage by Classification.**

It is necessary, therefore, to devise some means for classifying and insuring Federal supervision of such corporations as have the power and temptation to effect restraints of interstate trade and monopolies. Such corporations constitute a very small percentage of all engaged in interstate business.

**Mr. Roosevelt's Proposed Classification.**

With such classification in view, Mr. Roosevelt recommended an amendment to the anti-trust law, known as the Hepburn bill, which provided for voluntary classification and created a strong motive therefor by granting immunity from prosecution for reasonable restraints of interstate trade to all corporations which would register and submit themselves to the publicity *regulations of the Department of Commerce and Labor.*

**The Democratic Proposed Classification.**

The Democratic platform suggests a requirement that corporations in interstate trade having control of 25 per cent of the products in which they deal shall take out a Federal license. This classification would probably include a great many small corporations engaged in the manufacture of special articles or commodities whose total value is so inconsiderable that they are not really within the purview or real evil of the anti-trust law.

It is not now necessary, however, to discuss the relative merit of such propositions, but it is enough merely to affirm the necessity for some method by which greater executive supervision can be given to the Federal Government over those businesses in which there is a temptation to violations of the anti-trust law.

**Construction of Anti-Trust Law—Possible Necessity for Amendment.**

The possible operation of the anti-trust law under existing rulings of the Supreme Court has given rise to suggestions for its necessary amendment to prevent its application to cases which it is believed were never in the contemplation of the framers of the statute. Take two instances: A merchant or manufacturer engaged in a legitimate business that covered certain states wishes to sell his business and his good-will, and so in the terms of the sale obligates himself to the purchaser not to go into the same business in those states. Such a restraint of trade has always been enforced at common law. Again, the employees of an interstate railway combine and enter upon a peaceable and lawful strike to secure better wages. At common law this was not a restraint of trade or commerce or a violation of the rights of the company or of the public. Neither case ought to be made a violation of the anti-trust law. My own impression is that the Supreme Court would hold that neither of these instances are within its inhibition, but, if they are to be so regarded, general legislation amending the law is necessary.

**Democratic Plan to Limit Corporations to Ownership of Fifty Per Cent of Plant and Product Faculty.**

The suggestion of the Democratic platform that trusts be ended by forbidding corporations to hold more than 50 per cent of the plant in any line of manufacture is made without regard to the possibility of enforcement or the real evil in trusts. A corporation controlling 45 or 50 per cent of the products may by well-known methods frequently effect monopoly and stamp out competition in a part of the country as completely as if it controlled 60 or 70 per cent thereof.

**Compulsory Sale of Products at Fixed Price Impracticable.**

The proposal to compel every corporation to sell its commodities at the same price the country over, allowing for transportation, is utterly impracticable. If it can be shown that in order to drive out competition a corporation owning a large part of the plant producing an article is selling in one part of the country where it has competitors, at a low and unprofitable price, and in another part of the country, where it has none, at an exorbitant price, this is evidence that it is attempting an unlawful monopoly, and justifies conviction under the anti-trust law; but the proposal to supervise the business of corporations in such a way as to fix the price of commodities and compel the sale at such price<sup>a</sup> is as absurd and socialistic a plank as was ever inserted in a Democratic political platform.

**Difference Between Republican and Democratic Policies and Platforms; Former Progressive and Regulative; Latter Radical and Destructive.**

The chief difference between the Republican and the Democratic platforms is the difference which has heretofore been seen between the policies of Mr. Roosevelt and those which have been advocated by the Democratic candidate, Mr. Bryan. Mr. Roosevelt's policies have been progressive and regulative; Mr. Bryan's destructive. Mr. Roosevelt has favored regulation of the business in which evils have grown up so as to stamp out the evils and permit the business to continue. The tendency of Mr. Bryan's proposals have generally been destructive of the business with respect to which he is demanding reform. Mr. Roosevelt would compel the trusts to conduct their business in a lawful manner and secure the benefits of their operation and the maintenance of the prosperity of the country, of which they are an important part; while Mr. Bryan would extirpate and destroy the entire business in order to stamp out the evils which they have practiced.

**Advantage of Combination of Capital.**

The combination of capital in large plants to manufacture goods with the greatest economy is just as necessary as the assembling of the parts of a machine to the economical and more rapid manufacture of what in old times was made by hand. The government should not interfere with one any more than the other, when such aggregations of capital are legitimate and are properly controlled, for they are then the natural results of modern enterprise and are beneficial to the public. ~~By~~ the proper operation of competition the public will soon ~~share~~ with the manufacturer the advantage in economy of ~~operation~~ and lower prices.

**What Is an Unlawful Trust?**

When, however, such combinations are not based on any economic principle, but are made merely for the purpose of controlling the market, to maintain or raise prices, restrict output and drive out competitors, the public derives no benefit and we have a monopoly. There must be some use by the company of the comparatively great size of its capital and plant and extent of its output, either to coerce persons to buy of it rather than of some competitor or to coerce those who would compete with it to give up their business. There must usually, in other words, be shown an element of duress in the conduct of its business toward the customers in the trade and its competitors before mere aggregation of capital or plant becomes an unlawful monopoly. It is perfectly conceivable that in the interest of economy of production a great number of plants may be legitimately assembled under the ownership of one corporation. It is important, therefore, that such large aggregations of capital and combination should be controlled, so that the public may have the advantage of reasonable prices and that the avenues of enterprise may be kept open to the individual and the smaller corporation wishing to engage in business.

**Mere Aggregation of Capital Not a Violation of Anti-Trust Law.**

In a country like this, where, in good times, there is an enormous floating capital awaiting investment, the period before which effective competition by construction of new plants can be introduced into any business is comparatively short, rarely exceeding a year, and is usually even less than that. Existence of actual plant is not, therefore, necessary to potential competition. Many enterprises have been organized on the theory that mere aggregation of all, or nearly all, existing plants, in a line of manufacture, without regard to economy of production, destroys competition. They have, most of them, gone into bankruptcy. Competition in a profitable business will not be affected by the mere aggregation of many existing plants under one company, unless the company thereby effects great economy, the benefit of which it shares with the public, or takes some illegal method to avoid competition and to perpetuate a hold on the business.

**Proper Treatment of Trusts.**

Unlawful trusts should be restrained with all the efficiency of injunctive process, and the persons engaged in maintaining them should be punished with all the severity of criminal prosecution, in order that the methods pursued in the operation of their business shall be brought within the law. To destroy them and to eliminate the wealth they represent from the pro-

ducing capital of the country would entail enormous loss and would throw out of employment myriads of workingmen and workingwomen. Such a result is wholly unnecessary to the accomplishment of the needed reform, and will inflict upon the innocent far greater punishment than upon the guilty.

#### **Destructive Policy of Democratic Platform.**

The Democratic platform does not propose to destroy the plants of the trusts physically, but it proposes to do the same thing in a different way. The business of this country is largely dependent on a protective system of tariffs. The business done by many of the so-called "trusts," is protected with the other businesses of the country. The Democratic platform proposes to take off the tariff on all articles coming into competition with those produced by the so-called "trusts," and to put them on the free list. If such a course would be utterly destructive of their business, as is intended, it would not only destroy the trusts, but all of their smaller competitors. The ruthless and impracticable character of the proposition grows plainer as its effects upon the whole community are realized.

#### **Effect of Democratic Plans on Business.**

To take the course suggested by the Democratic platform in these matters is to involve the entire community, innocent as it is, in the punishment of the guilty, while our policy is to stamp out the specific evil. This difference between the policies of the two great parties is of especial importance in view of the present condition of business. After ten years of the most remarkable material development and prosperity, there came a financial stringency, a panic, and an industrial depression. This was brought about not only by the enormous expansion of business plants and business investments which could not be readily converted, but also by the waste of capital, in extravagance of living, in wars and other catastrophes. The free convertible capital was exhausted. In addition to this, the confidence of the lending public in Europe and in this country had been affected by the revelations of irregularity, breaches of trust, overissues of stock, violations of law, and lack of rigid State or National supervision in the management of our largest corporations. Investors withheld what loanable capital remained available. It became impossible for the soundest railroads and other enterprises to borrow money enough for new construction or reconstruction.

#### **Will Delay Restoration of Prosperity.**

Gradually business is acquiring a healthier tone. Gradually ~~all~~ wealth which was hoarded is coming out to be used. Confidence in security of business investments is a plant of slow ~~growth~~ and is absolutely necessary in order that our factories

may all open again, in order that our unemployed may become employed, and in order that we may again have the prosperity which blessed us for ten years. The identity of the interests of the capitalist, the farmer, the business man, and the wage-earner in the security and profit of investments cannot be too greatly emphasized. I submit to those most interested, to wage-earners, to farmers, and to business men, whether the introduction into power of the Democratic party, with Mr. Bryan at its head, and with the business destruction that it openly advocates as a remedy for present evils, will bring about the needed confidence for the restoration of prosperity.

#### **Republican Doctrine of Protection.**

The Republican doctrine of protection, as definitely announced by the Republican convention of this year and by previous conventions, is that a tariff shall be imposed on all imported products, whether of the factory, farm, or mine, sufficiently great to equal the difference between the cost of production abroad and at home, and that this difference should, of course, include the difference between the higher wages paid in this country and the wages paid abroad and embrace a reasonable profit to the American producer. A system of protection thus adopted and put in force has led to the establishment of a rate of wages here that has greatly enhanced the standard of living of the laboring man. It is the policy of the Republican party permanently to continue that standard of living. In 1897 the Dingley tariff bill was passed, under which we have had, as already said, a period of enormous prosperity.

#### **Necessity for Revision of Tariff.**

The consequent material development has greatly changed the conditions under which many articles described by the schedules of the tariff are now produced. The tariff in a number of the schedules exceeds the difference between the cost of production of such articles abroad and at home, including a reasonable profit to the American producer. The excess over that difference serves no useful purpose, but offers a temptation to those who would monopolize the production and the sale of such articles in this country to profit by the excessive rate. On the other hand, there are some few other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to those the tariff should be raised. A revision of the tariff undertaken upon this principle, which is at the basis of our present business system, begun promptly upon the incoming of the new administration and considered at a special session with the preliminary investigations already begun by the appropriate committees of the House and Senate, will make the disturbance of business incident to such a change as little as possible.

**Democratic Tariff Plan and Its Bad Effect on Business Conditions.**

The Democratic party in its platform has not had the courage of its previous convictions on the subject of the tariff, denounced by it in 1904 as a system of the robbery of the many for the benefit of the few, but it does declare its intention to change the tariff with a view to reaching a revenue basis and thus to depart from the protective system. The introduction into power of a party with this avowed purpose cannot but halt the gradual recovery from our recent financial depression and produce business disaster compared with which our recent panic and depression will seem small indeed.

**The Farmer and the Republican Party.**

As the Republican platform says, the welfare of the farmer is vital to that of the whole country. One of the strongest hopes of returning prosperity is based on the business which his crops are to afford. He is vitally interested in the restraining of excessive and unduly discriminating railroad rates, in the enforcement of the pure food laws, in the promotion of scientific agriculture, and in increasing the comforts of country life, as by the extension of free rural delivery. The policies of the present administration, which have most industriously promoted all these objects, cannot fail to commend themselves to his approval; and it is difficult to see how with his intelligent appreciation of the threat to business prosperity involved in Democratic success at the polls he can do otherwise than give his full and hearty support to the continuation of the policies of the present administration under Republican auspices.

**Labor and What the Republican Party Has Done for it.**

We come now to the question of labor. One important phase of the policies of the present administration has been an anxiety to secure for the wage-earner an equality of opportunity and such positive statutory protection as shall place him on a level in dealing with his employer. The Republican party has passed an employers' liability act for interstate railroads, and has established an eight-hour law for government employees and on government construction. The essence of the reform effected by the former is the abolition of the fellow-servant rule and the introduction of the comparative negligence theory by which an employee injured in the service of his employer does not lose all his right to recover because of slight negligence on his part. Then there is the act providing for compensation for injury to government employees, together with the various statutes requiring safety appliances upon interstate commerce railroads for the protection of their employees, and limiting the hours of their employment. These are all instances of the

desire of the Republican party to do justice to the wage-earner. Doubtless a more comprehensive measure for compensation of government employees will be adopted in the future; the principle in such cases has been recognized, and in the necessarily somewhat slow course of legislation will be more fully embodied in definite statutes.

**Interests of Employer and Employee Only Differ in Respect to Terms of Employment.**

The interests of the employer and the employee never differ except when it comes to a division of the joint profit of labor and capital into dividends and wages. This must be a constant source of periodical discussion between the employer and the employee, as indeed are the other terms of the employment.

**Advantage of Union.**

To give to employees their proper position in such a controversy, to enable them to maintain themselves against employers having great capital, they may well unite, because in union there is strength, and without it each individual laborer and employee would be helpless. The promotion of industrial peace through the instrumentality of the trade agreement is often one of the results of such union when intelligently conducted.

**Other Labor.**

There is a large body of laborers, however, skilled and unskilled, who are not organized into unions. Their rights before the law are exactly the same as those of the union men, and are to be protected with the same care and watchfulness.

**Rights of Labor.**

In order to induce their employer into a compliance with their request for changed terms of employment, workmen have the right to strike in a body. They have a right to use such persuasion as they may, provided it does not reach the point of duress, to lead their reluctant co-laborers to join them in their union against their employer, and they have a right, if they choose, to accumulate funds to support those engaged in a strike, to delegate to officers the power to direct the action of the union, and to withdraw themselves and their associates from dealing with or giving custom to those with whom they are in controversy.

**What Labor Cannot Lawfully Do.**

What they have not the right to do is to injure their employers' property, to injure their employers' business by use of threats or methods of physical duress against those who would work for him, or deal with him, or by carrying on what is sometimes known as a secondary boycott against his customers or those with whom he deals in business. All those



who sympathize with them may unite to aid them in their struggle, but they may not through the instrumentality of a threatened or actual boycott compel third persons against their will and having no interest in their controversy to come to their assistance. These principles have for a great many years been settled by the courts of this country.

Threatened unlawful injuries to business, like those described above, can only be adequately remedied by an injunction to prevent them. The jurisdiction of a court of equity to enjoin in such cases arises from the character of the injury and the method of inflicting it and the fact that suit for damages offers no adequate remedy. The unlawful injury is not usually done by one single act, which might be adequately compensated for in damages by a suit at law, but it is the result of a constantly recurring series of acts, each of which in itself might not constitute a substantial injury or make a suit at law worth while, and all of which would require a multiplicity of suits at law. Injuries of this class have since the foundation of courts of equity been prevented by injunction.

It has been claimed that injunctions do not issue to protect anything but property rights, and that business is not a property right; but such a proposition is wholly inconsistent with all the decisions of the courts. The Supreme Court of the United States says that the injunction is a remedy to protect property or rights of a pecuniary nature, and we may well submit to the considerate judgment of all laymen whether the right of a man in his business is not as distinctly a right of a pecuniary nature as the right to his horse or his house or the stock of goods on his shelf; and the instances in which injunctions to protect business have been upheld by all courts are so many that it is futile further to discuss the proposition.

It is difficult to tell the meaning of the Democratic platform upon this subject. It says:

"Questions of judicial practice have arisen especially in connection with industrial disputes. We deem that the parties to all judicial proceedings should be treated with rigid impartiality, and that injunctions should not be issued in any cases in which injunctions would not issue if no industrial dispute were involved."

This declaration is disingenuous. It seems to have been loosely drawn with the especial purpose of rendering it susceptible to one interpretation by one set of men and to a diametrically opposite interpretation by another. It does not aver that injunctions should not issue in industrial disputes, but only that they should not issue merely because they are industrial disputes, and yet those responsible for the declaration must have known that no one has ever maintained that the fact that a dispute was industrial gave any basis for issuing an injunction *in reference thereto*.

The declaration seems to be drawn in its present vague and ambiguous shape in order to persuade some people that it is a declaration against the issuing of injunctions in any industrial dispute, while at the same time it may be possible to explain to the average plain citizen who objects to class distinctions that no such intention exists at all. Our position is clear and unequivocal. We are anxious to prevent even an appearance of any injustice to labor in the issuance of injunctions, not in a spirit of favoritism to one set of our fellow citizens, but of justice to all of our fellow citizens. The reason for exercising or refusing to exercise the power of injunction must be found in the character of the unlawful injury and not in the character or class of the persons who inflict this injury.

The man who has a business which is being unlawfully injured is entitled to the remedies which the law has always given him, no matter who has inflicted the injuries. Otherwise we shall have class legislation unjust in principle and likely to sap the foundations of a free government.

#### Notice and Hearing Before Injunction.

I come now to the question of notice before issuing an injunction. It is a fundamental rule of general jurisprudence that no man shall be affected by a judicial proceeding without notice and hearing. This rule, however, has some times had an exception in the issuing of temporary restraining orders commanding a defendant in effect to maintain the status quo until a hearing. Such a process should issue only in rare cases where the threatened change of the status quo would inflict irreparable injury if time were taken to give notice and a summary hearing. The unlawful injury usual in industrial disputes, such as I have described, does not become formidable except after sufficient time in which to give the defendants notice and a hearing. I do not mean to say that there may not be cases even in industrial disputes where a restraining order might properly be issued without notice, but, generally, I think it is otherwise. In some State courts, and in fewer Federal courts, the practice of issuing a temporary restraining order without notice merely to preserve the status quo on the theory that it won't hurt anybody has been too common. Many of us recall that the practice has been pursued in other than industrial disputes, as for instance in corporate and stock controversies, like those over the Erie railroad, in which a stay order without notice was regarded as a step of great advantage to the one who secured it, and a corresponding disadvantage to the one against whom it was secured. Indeed, the chances of doing injustice on an ex parte application are much increased over those when a hearing is granted, and there may be circumstances under which it may affect the defendant to his detriment. In the case of

a lawful strike the sending of a formidable document restraining a number of defendants from doing a great many different things which the plaintiff avers they are threatening to do often so discourages men, always reluctant to go into a strike, from continuing what is their lawful right. This has made the laboring man feel that an injustice is done in the issuing of a writ without notice. I conceive that in the treatment of this question it is the duty of the citizen and the legislator to view the subject from the standpoint of the man who believes himself to be unjustly treated, as well as from that of the community at large. I have suggested the remedy of returning in such cases to the original practice under the old statute of the United States and the rules in equity adopted by the Supreme Court, which did not permit the issuing of an injunction without notice. In this respect the Republican convention has adopted another remedy, that, without going so far, promises to be efficacious in securing proper consideration in such cases by courts by formulating into a legislative act the best present practice.

Under this recommendation, a statute may be framed which shall define with considerable particularity and emphasize the exceptional character of the cases in which restraining orders may issue without notice, and which shall also provide that when they are issued they shall cease to be operative beyond a short period, during which time notice shall be served and a hearing had unless the defendant desires a postponement of the hearing. By this provision the injustice which has sometimes occurred by which a preliminary restraining order of widest application has been issued without notice, and the hearing of the motion for the injunction has been fixed weeks and months after its date, could not recur.

#### **Small Number of Cases Furnishing Grounds for Complaint in Federal Court.**

The number of instances in which restraining orders without notice in industrial disputes have issued by Federal courts is small, and it is urged that they do not therefore constitute an evil to be remedied by statutory amendment. The small number of cases complained of above shows the careful manner in which most Federal judges have exercised the jurisdiction, but the belief that such cases are numerous has been so widespread and has aroused such feeling of injustice that more definite specification in procedure to prevent recurrence of them is justified if it can be effected without injury to the administration of the law.

#### **No Provision in Democratic Platform as to Notice; Only Recommendation Trial by Jury.**

With respect to notice, the Democratic platform contains no recommendation. Its only intelligible declaration in regard

to injunction suits is a reiteration of the plank in the platform of 1896 and 1904 providing that in prosecutions for contempt in Federal courts, where the violation of the order constituting the contempt charge is indirect, i. e., outside of the presence of the court there shall be a jury trial.

#### **Dangerous Attack on Power of Courts.**

This provision in the platform of 1896 was regarded then as a most dangerous attack upon the power of the courts to enforce their orders and decrees, and it was one of the chief reasons for the defeat of the Democratic party in that contest, as it ought to have been. The extended operation of such a provision to weaken the power of the courts in the enforcement of their lawful orders can hardly be overstated.

#### **Effect of Jury Trial.**

Under such a provision a recalcitrant witness who refuses to obey a subpoena may insist on a jury trial before the court can determine that he received the subpoena. A citizen summoned as a juror and refusing to obey the writ when brought into court must be tried by another jury to determine whether he got the summons. Such a provision applies not alone to injunctions, but to every order which the court issues against persons. A suit may be tried in the court of first instance and carried to the court of appeals and thence to the Supreme Court, and a judgment and decree entered and an order issued, and then if the decree involves the defendants' doing anything or not doing anything, and he disobeys it, the plaintiff, who has pursued his remedies in lawful course for years, must, to secure his rights, undergo the uncertainties and delays of a jury trial before he can enjoy that which is his right by the decision of the highest court of the land. I say without hesitation that such a change would greatly impair the indispensable power and authority of the courts. In securing to the public the benefits of the new statutes enacted in the present administration the ultimate instrumentality to be resorted to is the courts of the United States. If now their authority is to be weakened in a manner never known in the history of the jurisprudence of England or America, except in the Constitution of Oklahoma, how can we expect that such statutes will have efficient enforcement? Those who advocate this intervention of a jury in such cases seem to suppose that this change in some way will inure only to the benefit of the poor workingman. As a matter of fact, the person who will secure chief advantage from it is the wealthy and unscrupulous defendant, able to employ astute and cunning counsel and anxious to avoid justice.

"I have been willing, in order to avoid a popular but unfounded

impression that a judge, in punishing for contempt of his own order, may be affected by personal feeling, to approve a law which should enable the contemnor upon his application to have another judge sit to hear the charge of contempt, but this, with so many judges as there are available in the Federal courts would not constitute a delay in the enforcement of the process. The character and efficiency of the trial would be the same. It is the nature and the delay of a jury trial in such cases that those who would wish to defy the order of the court would rely upon as a reason for doing so.

#### **Maintenance of Full Power of Courts Necessary to Avoid Anarchy.**

The administration of justice lies at the foundation of government. The maintenance of the authority of the courts is essential unless we are prepared to embrace anarchy. Never in the history of the country has there been such an insidious attack upon the judicial system as the proposal to interject a jury trial between all orders of the court made after full hearing and the enforcement of such orders.

#### **The Currency System.**

The late panic disclosed a lack of elasticity in our financial system. This has been provisionally met by an act of the present Congress permitting the issue of additional emergency bank notes, and insuring their withdrawal when the emergency has passed by a high rate of taxation. It is drawn in conformity with the present system of bank-note currency, but varies from it in certain respects by authorizing the use of commercial paper and bonds of good credit, as well as United States bonds, as security for its redemption. It is expressly but a temporary measure and contains a provision for the appointment of a currency commission to devise and recommend a new and reformed system of currency. This inadequacy of our present currency system, due to changed conditions and enormous expansion, is generally recognized. The Republican platform well states that we must have a "more elastic and adaptable system to meet the requirements of agriculturists, manufacturers, merchants, and business men generally, must be automatic in operation, recognizing the fluctuations in interest rates," in which every dollar shall be as good as gold and which shall prevent rather than aid financial stringency in bringing on a panic.

#### **Postal Savings Bank and Its Advantages.**

In addition to this, the Republican platform recommends the adoption of a postal savings bank system in which, of course, the Government would become responsible to the depositors for the payment of principal and interest. It is thought that the government guaranty will bring out of hoarding places much money

which may be turned into wealth-producing capital, and that it will be a great incentive for thrift in the many small places in the country having now no savings bank facilities which are reached by the Post Office Department. It will bring to every one, however remote from financial centers, a place of perfect safety for deposits, with interest return. The bill now pending in Congress, which, of course, the Republican convention had in mind, provides for the investment of the money deposited in national banks in the very places in which it is gathered, or as near thereto as may be practicable. This is an answer to the criticism contained in the Democratic platform that under the system the money gathered in the country will be deposited in Wall street banks. The system of postal savings banks has been tried in so many countries successfully that it cannot be regarded longer as a new and untried experiment.

**Objections to Democratic Proposal to Enforce Insurance of Bank Deposits.**

The Democratic platform recommends a tax upon national banks and upon such State banks as may come in, in the nature of enforced insurance, to raise a guaranty fund to pay the depositors of any bank which fails. How State banks can be included in such a scheme under the Constitution is left in the twilight zone of State's rights and federalism so frequently dimming the meaning and purpose of the promises of the platform. If they come in under such a system, they must necessarily be brought within the closest national control, and so they must really cease to be State banks and become national banks.

The proposition is to tax the honest and prudent banker to make up for the dishonesty and imprudence of others. No one can foresee the burden which under this system would be imposed upon the sound and conservative bankers of the country by this obligation to make good the losses caused by the reckless, speculative and dishonest men who would be enabled to secure deposits under such a system on the faith of the proposed insurance; as in its present shape the proposal would remove all safeguards against recklessness in banking, and the chief, and in the end probably the only, benefit would accrue to the speculator, who would be delighted to enter the banking business when it was certain that he could enjoy any profit that would accrue, while the risk would have to be assumed by his honest and hard-working fellow. In short, the proposal is wholly impracticable unless it is to be accompanied by a complete revolution in our banking system, with a supervision so close as practically to create a government bank. If the proposal were adopted exactly as the Democratic platform suggests it would bring the whole banking system of the country down in ruin, and this proposal is itself an excellent illustration of the fitness for

tional control of a party which will commit itself to a scheme of this nature without the slightest sense of responsibility for the practical operation of the law proposed.

**Postal Savings Banks Much to be Preferred.**

The Democratic party announces its adhesion to this plan, and only recommends the tried system of postal savings banks as an alternative if the new experimental panacea is not available. The Republican party prefers the postal savings banks as one tried, safe and known to be effective, and as reaching many more people now without banking facilities than the new system proposed.

**Voluntary Plan for Guaranty.**

A plan for a guaranty of deposits by the voluntary act of the banks involved has been favorably reported to the House of Representatives. This is, of course, entirely different from the scheme in the Democratic platform, omitting, as it does, the features of compulsory participation and governmental guaranty. This proposition will unquestionably receive the thoughtful consideration of the national monetary commission.

**Republican Policies as to Dependencies.**

The Republican party has pursued consistently the policy originally adopted with respect to the dependencies which came to us as the result of the Spanish war.

**Porto Rico.**

The material prosperity of Porto Rico and the progress of its inhabitants toward better conditions in respect to comfort of living and education should make every American proud that this nation has been an efficient instrument in bringing happiness to a million people.

**Cuba.**

In Cuba the provisional government established in order to prevent a bloody revolution has so administered affairs and initiated the necessary laws as to make it possible to turn back the island to the lawfully elected officers of the Republic in February next.

**Philippines.**

In the Philippines the experiment of a national assembly has justified itself, both as an assistance in the government of the islands and as an education in the practice of self-government to the people of the islands. We have established a government with effective and honest executive departments, and a clean and fearless administration of justice; we have created and are maintaining a comprehensive school system which is educating the youth of the islands in English and in industrial branches; we have constructed great government public works, roads and

harbors; we have induced the private construction of eight hundred miles of railroads; we have policed the islands so that their condition as to law and order is better now than it ever has been in their history. It is quite unlikely that the people, because of the dense ignorance of 90 per cent, will be ready for complete self-government and independence before two generations have passed, but the policy of increasing partial self-government step by step as the people shall show themselves fit for it should be continued.

**Proposition of Democratic Platform Means Chaos.**

The proposition of the Democratic platform is to turn over the islands as soon as a stable government is established. This has been established. The proposal then is in effect to turn them over at once. Such action will lead to ultimate chaos in the islands and the progress among the ignorant masses in education and better living will stop. We are engaged in the Philippines in a great missionary work, that does our nation honor, and is certain to promote in a most effective way the influence of Christian civilization. It is cowardly to lay down the burden until our purpose is achieved.

**Hope of Prosperity in Change in Tariff Recommended by Republican Platform.**

Many unfortunate circumstances beyond human control have delayed the coming of business prosperity to the islands. Much may be done in this regard by increasing the trade between the islands and the United States, under tariff laws permitting reciprocal free trade in the respective products of the two countries, with such limitations as to sugar and tobacco imported into the United States as will protect domestic interests. The admission of 350,000 tons of sugar from the Philippine Islands in a foreign importation of 1,600,000 tons will have no effect whatever upon the domestic sugar interests of the United States, and yet such an importation from the Philippine Islands, not likely to be reached in ten years, will bring about the normal state of prosperity in these islands in reference to sugar culture.

The same thing is true of a similar limitation on the importation of tobacco. It is not well for the Philippines to develop the sugar industry to such a point that the business of the islands shall be absorbed by it, because it makes a society in which there are wealthy landowners, holding very large estates, with valuable and expensive plants and a large population of unskilled labor. In such a community there is no farming or middle class tending to build up a conservative, self-respecting community capable of self-government. There are many other products, notably that of Manila hemp, to which the energy of the islands can be and is being directed, the cultivation of which develops the class of small and intelligent farmers.



**Misconception as to Annual Cost of Philippines.**

One misconception of fact with respect to our Philippine policy is that it is costing the people of the United States a vast annual sum. The expenses of the war in the Philippines from 1898 to 1902 involved the government in an expenditure of less than \$175,000,000. This was incident to war. The fact is that since the close of the war in 1902 and the restoration of order in the islands the extra cost of the American troops of the regular army in the islands, together with that of maintaining about 4,000 Philippine scouts as a part of the regular army, does not exceed \$6,000,000 annually. This is all the expense to which the United States has been put for five or six years last past. The expenses of the civil government in the islands since its establishment have been met entirely from the proceeds of taxes collected in the islands, with but one notably generous and commendable exception, when the Congress of the United States appropriated \$3,000,000 in 1902 to relieve the inhabitants of the islands from the dangers of famine and distress caused by the death from rinderpest of three-fourths of the cattle of the islands.

**Veterans of Country's Wars.**

Both platforms declare, as they should, in favor of generous pensions for the veterans of the civil and Spanish wars. I stop to note the presence here of a body of veterans of Ohio, and to express my thanks for the honor they do me in coming. I am lacking in one qualification of all Republican Presidents since Lincoln, that of having been exposed to danger and death on the field of battle in defense of our country. I hope that this lack will not make the veterans think I am any less deeply thrilled by the memory of their great comrades gone before—Grant, Hayes, Garfield, Harrison and McKinley, all sons of Ohio, who left records reflecting glory upon their State and nation—or that my sympathies with the valor and courage and patriotism of those who faced death in the country's crises are any less earnest and sincere than they would be had I the right to wear a button of the Grand Army or of the veteran association of any of our country's wars.

**The Rights and Progress of the Negro.**

The Republican platform refers to those amendments to the Constitution that were passed by the Republican party for the protection of the negro. The negro, in the forty years since he was freed from slavery, has made remarkable progress. He is becoming a more and more valuable member of the communities in which he lives. The education of the negro is being expanded and improved in every way. The best men of both races, at the North as well as at the South, ought to rejoice to see growing up among the Southern people an influential element disposed to

encourage the negro in his hard struggle for industrial independence and assured political status. The Republican platform, adopted at Chicago, explicitly demands justice for all men without regard to race or color, and just as explicitly declares for the enforcement, and without reservation, in letter and spirit, of the thirteenth, fourteenth, and fifteenth amendments to the Constitution. It is needless to state that I stand with my party squarely on that plank in the platform, and believe that equal justice to all men and the fair and impartial enforcement of these amendments are in keeping with the real American spirit of fair play.

#### **Army and Navy.**

Mr. McKinley and Mr. Roosevelt and the Republican party have constantly advocated a policy with respect to the army and navy that will keep this republic ready at all times to defend her territory and her doctrines, and to assure her appropriate part in promoting permanent tranquillity among the nations. I welcome from whatever motive the change in the Democratic attitude toward the maintenance and support of an adequate navy, and hope that in the next platform the silence of the present platform in respect to the army will be changed to an acquiescence in its maintenance to the point of efficiency in connection with the efficiently reorganized militia and the national volunteers, for the proper defense of the country in times of war, and the discharge of those duties in times of peace for which the army, as at present constituted, has shown itself so admirably adapted in the Philippines, in San Francisco, in Cuba and elsewhere. We are a world power and cannot help it, and although at peace with all the world and secure in the consciousness that the American people do not desire and will not provoke a war with any other country, we must be prudent and not be lulled into a sense of security which would possibly expose us to national humiliation. Our best course, therefore, is to insist on the constant improvement in our navy and its maintenance at the highest point of efficiency.

#### **Protection of Citizens Abroad.**

The position which our country has won under Republican administrations before the world should inure to the benefit of every one, even the humblest, of those entitled to look to the American flag for protection, without regard to race, creed or color, and whether he is a citizen of the United States or of any of our dependencies. In some countries with which we are on friendly terms distinctions are made in respect to the treatment of our citizens traveling abroad and having passports of our executive, based on considerations that are repugnant to the principles of our government and civilization. The Republican party

and administration will continue to make every proper endeavor to secure the abolition of such distinctions, which in our eyes are both needless and opprobrious.

#### **Asiatic Immigration.**

In the matter of the limitation upon Asiatic immigration, referred to in the Democratic platform, it is sufficient to say that the present Republican administration has shown itself able, by diplomatic negotiations and without unnecessary friction with self-respecting governments, to minimize the evils suggested, and a subsequent Republican administration may be counted on to continue the same policy.

#### **Conservation of National Resources.**

The conservation of national resources is a subject to which the present administration has given especial attention. The necessity for a comprehensive and systematic improvement of our waterways, the preservation of our soil and of our forests, the securing from private appropriation the power in navigable streams, the retention of the undisposed of coal lands of the Government from alienation, all will properly claim from the next administration earnest attention and appropriate legislation.

#### **National Health Bureau.**

I have long been of opinion that the various agencies of the national government established for the preservation of the national health scattered through several departments should be rendered more efficient by uniting them in a bureau of the Government under a competent head, and that I understand to be in effect the recommendation of both parties.

#### **Publicity of Campaign Contributions and Expenditures.**

Another plank of the Democratic platform refers to the failure of the Republican convention to express an opinion in favor of the publicity of contributions received and expenditures made in elections. Here again we contrast our opponents' promises with our own acts. Great improvement has taken place under Republican auspices in respect to the collection and expenditure of money for this purpose. The old and pernicious system of levying tax on the salaries of government employees in order to pay the expenses of the party in control of the administration has been abolished by statute. By a law passed by the Republican Congress in 1907, contributions from corporations to influence or pay the expenses connected with the election of Presidential electors or of members of Congress are forbidden under penalty.

A resident of New York has been selected as treasurer of the Republican National Committee, who was treasurer of the *Republican State Committee* when Governor Hughes was elected

in New York, and who made a complete statement within twenty days after the election, as required by the New York law, of the contributions received by him and the expenditures made by him or under his authority in connection with that election. His residence and the discharge of his duties in the State of New York subject him to the law of that State as to all receipts of the treasury of the national committee from whatever source and as to all its disbursements. His returns will be under the obligations and penalties of the law, and a misstatement by him or the filing of a false account will subject him to prosecution for perjury and violation of the statute. Of course, under the Federal law, he is not permitted to receive any contributions from corporations.

If I am elected President I shall urge upon Congress, with every hope of success, that a law be passed requiring a filing in a Federal office of a statement of the contributions received by committees and candidates in elections for members of Congress, and in such other elections as are constitutionally within the control of Congress. Meantime the Republican party by the selection of a New York treasurer has subjected all its receipts and expenditures to the compulsory obligation of such a law.

#### **Income Tax.**

The Democratic platform demands two constitutional amendments, one providing for an income tax and the other for the election of Senators by the people. In my judgment an amendment to the Constitution for an income tax is not necessary. I believe that an income tax, when the protective system of customs and the internal revenue tax shall not furnish income enough for governmental needs, can and should be devised which under the decisions of the Supreme Court will conform to the Constitution.

#### **Election of Senators.**

With respect to the election of Senators by the people, personally I am inclined to favor it, but it is hardly a party question. A resolution in its favor has passed a Republican House of Representatives several times, and has been rejected in a Republican Senate by the votes of Senators from both parties. It has been approved by the legislatures of many Republican States. In a number of States, both Democratic and Republican, substantially such a system now prevails.

#### **Inaccuracy and Insincerity of Democratic Charges of Extravagance in Increase of Offices and Expenditures.**

Our opponents denounce the Republican party for increasing the number of offices 23,000, at a cost of \$16,000,000, during the last year. Such denunciation is characteristic of the Democratic platform. It fails to specify in any way what the offices are, and leaves the inference that the increase was resisted by the repre-

representatives of Democracy in Congress. As a matter of fact, the net number of offices increased was just about half the number stated; the increase was due chiefly to the enlargement of the navy, the construction of the Panama canal, the extension of the rural free delivery and to the new offices necessary in the enforcement of the pure food meat inspection, railroad rate regulation, arid land reclamation, forest preservation and other measures which Congress passed with almost unanimous popular approval. The Democratic platform, so far from attacking any of this legislation, specifically approves much and condemns none of it, and it is, of course, disingenuous to claim credit for approving legislation and yet to denounce the expenditures necessary to give it effect.

#### Charge of Deficit.

Again, it charges that a deficit of sixty millions of dollars between the receipts and expenditures during the fiscal year ending June 30, 1908, occurred. As explained by the Secretary of the Treasury, at least half of this deficit is only an apparent one. The falling off in receipts was, of course, occasioned by the unusual panic, but there is ample free money in the Treasury to meet the difference, and the difference itself is not half of it properly a deficit, because involved in it was the retirement of some thirty-three millions of the bonds of the Government.

During the past seven years the income and expenditures of the Government have been nearly equal, some years showing a surplus and others, fewer in number, a deficit. Taking one year with another, including this year, there has been an average surplus. The surplus last year, for instance, was greater than the deficit this year; so that, in fact, under the present administration there has been no deficit, but a surplus which is actually in the Treasury.

The Democratic platform nowhere points out the expenditures which might be reduced or avoided. It would be found generally that to the increases which have occurred, Democratic Representatives in Congress made no opposition, but rather supported the measures providing them, and now the party has not the courage to indicate what part of government cost it would end. It joins the Republican party specifically in approving the outlay of \$150,000,000 as pensions. It expressly favors also the cost of greatly increased river and harbor improvements, the cost of doubling the navy and of many other enterprises to which it urges the Government. Its attack, therefore, has nothing in it of fairness or sincerity.

#### High Character and Efficiency of Administration.

The truth is that it is known of all fair-minded men that there never has been an administration in the Government more *efficiently conducted*, more free from scandal, and in which the

standard of official duty has been set higher than in the present Republican administration, which the Democratic platform has thus denounced. It has had to meet the problems arising from the enormous expansion of government functions under new legislative measures, as well as in the new dependencies, and in the greatest constructive work of modern times, the Panama canal, and its members may well feel a just pride in the exceptional record for efficiency, economy, honesty and fidelity which it has made. We may rely upon our record in this regard in an appeal to the American people for their approval.

The foreign policy of this country under the present administration has greatly contributed to the peace of the world. The important part the administration took in bringing about an end of the Russian-Japanese war by a treaty honorable to both parties and the prevention of wars in Central America and Cuba are striking instances of this. The arbitration treaties signed with all the important nations of the world mark a great step forward in the development of the usefulness of The Hague tribunal. The visit of Secretary Root to South America emphasized our friendship for our sister republics, which are making such strides in the south hemisphere, and met with a most cordial and gratifying response from our Latin-American colleagues. The assistance which we are rendering in Santo Domingo to enable that government to meet its obligations and avoid anarchy is another instance of successful work of this administration in helping our neighbors.

This administration has, by the promptness, skill and energy of its negotiations, secured dominion in the Canal Zone of the Isthmus of Panama, without which the construction of the canal would have been impossible. It has subdued the heretofore insurmountable obstacle of disease and made the place of work healthy. It has created such an organization that in six years certainly, and probably in less, the Atlantic and Pacific will be united, to the everlasting benefit of the world's commerce and the effectiveness of our navy will be doubled.

The mere statement of the things actually done by this administration at home, in our dependencies and in foreign affairs, shows a marvel of successful accomplishment, and if ever a party has entitled itself to the approval of its works by a renewed mandate of power from the people whom it served it is the Republican party in the present campaign.

The only respect in which nothing has been done is in the development of our foreign marine. As long as we uphold the system of protection for our home industries we must recognize that it is inapplicable to assist those of our citizens engaged in the foreign shipping business, because there is no feasible means of excluding foreign competition, and that the only other method of building up such a business is by direct aid in the

form of a mail subsidy. I am in favor of the bill considered in the last Congress as a tentative step. The establishment of direct steamship lines between our Atlantic ports and South America would certainly do much to develop a trade that might be made far greater. On the Pacific the whole shipping trade threatens to pass into the control of Japan. Something ought to be done, and the bill which failed was a step in the right direction.

#### **Independent Democrats.**

The Democratic party under its present leadership in previous campaigns has manifested a willingness to embrace any doctrine which would win votes, with little sense of responsibility for its practical operation. In its striving for success it has ignored the business prosperity of the country, has departed from sound economic and governmental principles, and has reversed its own traditional views of constitutional construction. Patriotic members of the party have refused to be controlled by party ties, and have either refrained from voting or have supported the Republican candidate. May we not appeal to these courageous and independent citizens again to give us their support in this campaign, because the reasons for their breaking the bonds of party are stronger to-day than ever before?

#### **Length of Speech Made Necessary by Numerous Issues.**

I have now reviewed at great length the principles at issue between the two parties. When I began the preparation of this speech of acceptance I had hoped to make it much briefer than it is, but I found on an examination of the platform and on a consideration of the many measures passed during the present administration and the issues arising out of them that it was impossible to deal with the subjects comprehensively with proper explanation and qualification in a short discussion. This is my excuse.

#### **Difference Between Parties: Prosperity With Republican Success; Business Disaster With Democratic Victory.**

I have pointed out that the attitude of the Republican party with reference to evils which have crept in, due to the enormous material expansion of this country, is to continue the Roosevelt policies of progress and regulation, while the attitude of the Democratic party under its present leadership is the change for the sake of change to the point of irresponsible destruction, and that there is no hope whatever of a restoration of prosperity in returning it to power. As said in our platform, we Republicans go before the country asking the support, not only of those who have acted with us heretofore, but of all our fellow-citizens who, regardless of past political differences, unite in the desire to maintain the policies, perpetuate the blessings, and make secure, the achievements of a greater America.

## FOREWORD.

The purpose of this book is to furnish in concise and convenient form for reference such information as is likely to be required by speakers, writers, and others participating in the discussions of the Presidential campaign of 1908. However well advised the speaker or writer may be upon the topics of the campaign, he will require for reference many facts and figures which can only be had by consulting numerous publications, many of them so bulky as to be practicable for desk use only. This work is intended to present in concise and portable form the more important of these facts and figures, so condensed and arranged as to be convenient for ready reference in the field, on the stump, upon the train, or wherever they may be desired. The arrangement of the book will be apparent upon an examination of the table of contents which occupies the opening page. Each of the subjects likely to require discussion is treated under its proper title and followed by such statistical statements as may be required for further reference. A copious index which follows the table of contents will enable those utilizing the volume readily to find the detailed facts which they may require for instant reference. The statistical and historical statements presented in the discussions have been carefully verified and the authority, in the more important statements, cited, while the tables are in most cases from official publications of the Government or from accepted authorities.

It has been deemed proper to present as fully as practicable information upon subjects likely to receive especial attention, and the space allotted to the chapters on Control of Corporations, the Money Panic, and the relief afforded by the Treasury Department, Wages and Prices, Tariff, the Philippines, and the Work of the Army has been adjusted to the possible requirements of those desiring information upon these subjects. Much unfounded criticism has been offered by the Democrats with reference to the enlargement of the Army and the expenditures under its operations, and it has therefore been deemed proper to present somewhat in detail information regarding the work which it has so successfully accomplished both in war and in the development of conditions at home. The criticisms of the work of the party in regard to the Philippines, coming from a party which has already the record of having hauled down the American flag in islands of the Pacific, suggest the importance of a full presentation of the splendid work done in those islands. The constant but unfounded assertions that cost of living has advanced more than wages justifies the detailed discussion of this subject which will be found in the chapter entitled "Labor, Wages, and Prices," and especial attention is called to the information there presented which fully disproves these assertions.

### EXTRACTS FROM THE CONGRESSIONAL RECORD.

Another volume, entitled "Extracts from the Congressional Record," contains brief extracts from speeches delivered in Congress upon subjects likely to be discussed in the present campaign. *It contains the best utterances of the party leaders during its entire history upon the great subjects likely to be considered in this campaign.* Regulation of Corporations, the Money Panic, Protection, Reciprocity, Trusts, Prices, Republican Prosperity, Democratic Adversity, the Workingman, the Farmer, the Soldier, Rural Free Delivery, the Post-Office Investigation, Panama, Cuba, the Philippines and the Pacific, Shipping, the Navy, and the Record of President Roosevelt are discussed in these concise extracts from the public utterances of party leaders past and present. The volume may readily be used as a pocket companion, in the field or on the train, and will prove a valuable supplementary work in connection with this text book.

Both volumes may be obtained upon application to the National Committee.



## FOUR GREAT FACTS.

"Four great facts seem to justify the Republican party in asking the voters of the United States to continue it in control of the affairs of the Government. First, the promptness with which it has fulfilled the pledges of its platform upon which it successfully appealed to the people in 1896; second, the prosperity which has come to all classes of our citizens with, and as a result of; the fulfillment of those pledges; third, the evidence which that prosperity furnishes of the fallacy of the principles offered by the opposing parties in 1896, and still supported by them; and, fourth, the advantages to our country, our commerce, and our people in the extension of area, commerce, and international influence which have unexpectedly come as an incident of the fulfillment of one of the important pledges of the platform of 1896, and with it the opportunity for benefiting the people of the territory affected."—From the Republican Campaign Text-Book of 1900.

The above quotation from the opening pages of the Republican Campaign Text Book of 1900 applies with equal force to conditions in the present campaign. The four great facts which justified the party in asking the support of the public in 1900 were: First, that its pledges of 1896 had been redeemed; second, that prosperity had come as a result; third, that developments since 1896 had shown the fallacy of the principles upon which the Democracy then appealed for public support; and, fourth, the conditions which had come to other parts of the world and their people as a result of promises fulfilled by the Republican party in the United States. These assertions made in the Text Book of 1900 have been fully justified by the added experiences of another eight years. The pledges of 1896 and those made in 1900 and 1904 have been redeemed. The Protective Tariff has been restored; the Gold Standard made permanent; Cuba freed, given independence, protected from internal troubles and about to be again made a Republic; the Panama Canal assured under the sole ownership and control of the United States; a Department of Commerce and Labor established; Rural Free Delivery given to millions of the agricultural community; the laws for the proper regulation of trusts and great corporations strengthened and enforced; prosperity established; commerce developed; labor protected and given ample employment and reward; intelligence, prosperity, and good government established in distant islands; and the flag of the United States made the emblem of honor in every part of the world.

All of these great accomplishments have been the work of the Republican party. In each of them it has met the discouragement, the opposition, and the hostilities of the Democracy. The Protective Tariff was fought at every step, and denounced by the platform of the Democrats as a "robbery." The act establishing the Gold Standard was opposed and the Democratic vote cast almost solidly against it, and that party in its conventions and platforms of 1904 and 1908 deliberately refused to retract in the slightest degree its advocacy of the free and unlimited coinage of silver. In the war for the freedom of Cuba, the work of the Republicans was met with harsh criticism. In the efforts to establish peace and good government in the newly acquired territory, each step met with opposition and false charges and with the demand that the territory and its millions of people be abandoned to internal strife or control by a monarchical government. The acquirement of the right to construct the Panama Canal was met with opposition and obstruction. The enforcement of law against trusts and other great corporations was denounced as ineffective and designed to deceive the public. The establishment of rural free delivery was discouraged. The splendid prosperity which followed the restoration of the protective tariff was decried and denounced as fictitious and temporary, and an attempt made to sow the seeds of dissatisfaction and discord among the people by complaints of the higher cost of food which came as the natural results of the increased demand accompanying general prosperity and high wages.

It is upon the evidence of the past twelve years, evidence that the Republican party is a party of progress, and the Democracy a party of inaction, retardment, and fault-finding, that the Republican party again confidently appeals for public support in the Presidential and Congressional elections of 1908.

# REGULATION OF CORPORATIONS.

## Regulation of Corporations.

The last eight years have been momentous. They have brought us the problem of industrial and commercial honesty; the proper control of our vast industrial forces. The most conspicuous and important part of the work of the present Republican administration has been given to this problem—the "square deal" in business.

Our national prosperity has in itself brought this business question to the acute stage of a national crisis. We are assured of our enormous national resources, of our power to develop them. We have accumulated great national and individual wealth. Now the country is taking up the question of the methods by which such resources have been developed and wealth acquired, recognizing that no industrial system, however apparently successful, can permanently endure unless it is based on fair competitive methods and equal opportunity for all men.

The enormous concentration of commercial power in a few hands has been one of the marked characteristics of the past decade. It has formed part of this problem and has aroused the country to a consideration of the industrial and economic facts involved therein.

The Administration holds that the efficient business man should be fully rewarded for the great services he renders to the public. It desires in every way to support and foster honest business. There is no quarrel with corporations themselves, or with the acquisition of wealth, but only with certain forms of corporate organization and management, and certain methods by which such wealth is acquired. Corporations are the proper and necessary machinery of modern business. We cannot carry on our commerce without them. Therefore it is necessary that we so supervise and regulate them that their obvious evils and defects be cut away, and the essential part of our business machinery be preserved for the work for which it is absolutely necessary. The community has created corporations; they are artificial things, wholly due to the act of the state. The state is therefore responsible for them and has not only the right, but also the imperative duty, of requiring their proper organization and management.

The Administration has therefore given its attention especially to the business methods of corporations, to put an end to those methods that are against public interest, and to preserve the essential good in the system.

In so far as corporations engage in interstate commerce they are subject to Federal law. Most of our large companies are interstate in their operations and national in their scope, so the only power competent to regulate them is the National Government. The jurisdiction must be commensurate with the scope of the subject-matter. Our financial and industrial leaders have deliberately made our businesses national by their combinations, blotting off the business map the lines between corporation and corporation, between State and State. They cannot therefore justly be heard to complain if the legal control of these businesses be also made national, to meet the conditions they themselves have created.

Our present system of combination, concentrating business in the hands of a few men, has entrusted to the corporate manager vast powers. He can apply these forces at any given point, in favor of one man or another; he can bargain for special favors and privileges; he can use its powers and its credit for his own private benefit; he can affect the agencies of public opinion at a thousand points.

These powers have in certain instances been wrongly used. The credit of corporations has been made the tool of private gain, to the loss of the stockholder and the public. Power over

traffic has been used to buy unfair advantages, to secure from railroads rebates and secret private rates, favors in car distribution, terminal and dock facilities. The sheer weight of capital has been used to crush competitors by ruinous local price-cutting, simply to destroy the business of others. Skillful advantage has been taken of the confusion of our corporation laws to obscure and defeat the rights of minority stockholders and bondholders.

The Republican party has taken vigorous action on these questions. It is trying to save and promote business, to maintain an industrial machinery which shall be capable of standing up to the work of an industrial nation. That machinery must be built on merit and not on fraud or favor. It proposes to see that capital and energy, and labor and brains, have a fair chance. It proposes to see that man win who is a good manufacturer, a good railway man, a good salesman, who gets good business because he gives good service, and not that man win who is only good at getting an unfair advantage or at preventing any one else from doing business.

The business men of the country desire honest methods. They desire to succeed simply by giving the best service and the lowest prices, and such success benefits the public also. These men have the support of the Administration, and they need it against the unfair business methods of that small but active class of men who succeed merely by crippling the efficiency of competitors, by denying them equal opportunity. Such success means the injury of our whole business system.

The President has again and again stated the principles of the Administration in this matter in addresses and messages to Congress.

"It is an absurdity to expect to eliminate abuses in great corporations by State action. \* \* \* The National Government alone can deal adequately with these great corporations." \* \* \* "Our aim is to help every honest man, every honest corporation, and our policy means, in its ultimate analysis, a healthy and prosperous expansion of the business activities of honest business men and honest corporations." \* \* \*

"A combination should not be tolerated if it abuses the power acquired by combination to the public detriment. \* \* \* Among the points to be aimed at should be the prohibition of unhealthy competition, such as rendering service at an actual loss for the purpose of crushing out competition."

Led by President Roosevelt, the National Administration has therefore been dealing with corporations along the lines of a consistent policy which has never changed in principle. It has enforced the laws that make for fair competition and equal opportunity and has made them essential parts of our commercial system; equal rates from the railroads, the highways of commerce, have been afforded to all shippers as never before. Railroad rebates and discriminations, which are the deadliest attacks on equality in business, have been exposed and punished, so that there is to-day less of railroad discrimination being practiced than at any time since the passage of the Interstate Commerce Law in 1887. The Standard Oil Company has had its system of unfair railway discriminations laid open in detail to the public, has been indicted in six different judicial districts, including thirty indictments with a total of 9,764 offenses enumerated therein: in the Northern District of Illinois it has been convicted of 1,462 offenses and a fine imposed of \$29,240,000.

As the result of the exposure of this system of railway rebates by the Bureau of Corporations in 1906, and through the influence of publicity, the railroads have cancelled long-standing illegal and unfair rates, covering almost the entire country.

Railroad companies have been indicted, convicted and fined for giving railway concessions, as well as shippers who had accepted such illegal discriminations. As a result, the public and the railroads and the shippers of freight have come to understand that the Elkins Law, which forbids railway discriminations, means what it says; that it is the determination of the Administration that the railroads of the country shall be kept open by fair and equal rates for the benefit of all shippers alike, and that those secret discriminations which have built up certain favored businesses upon the ruin of many competitors, shall cease and be no more hereafter a part of our commercial system. *There have been, of course, the usual protests against these*

finea. It is urged that only the individual who did the act should be punished and not the corporation for whose benefit it was done. Such counsels of perfection are futile. The imprisoning of a clerk does not stop railway rebates (and the clerk is usually the highest man against whom legal evidence is obtainable). Industrial crimes by which a corporation benefits are rightly chargeable to that corporation. If the corporation is punished the crime will stop.

The Sherman Anti-trust Law has also been wisely used by the Administration to put an end to those forms of combination which are directed either at total suppression of proper competition or at the destruction of competitors by unfair means. The Administration has recognized that combination to a certain extent is necessary and proper, but that on the other hand certain forms of combination, from their peculiar purposes and effects, are clearly against the public interest. The Northern Securities case established certain great basic legal principles as to the power of the Federal Government over corporations, as did also various other cases tried under the Sherman Law. The result has been to make clear as never before the positive powers granted by the interstate commerce clause of the Constitution, and to point out to the country the lines along which these powers may be used for the regulation of corporations. On the other hand, in the case now pending under the Sherman Law against the Standard Oil Company, this law has been applied to a system of unfair methods of competition and the abuse of corporate powers. All of these cases have had the important result of bringing to the attention of the public in concrete shape the great problems involved, and of arousing and educating public opinion thereon.

Again, the Republican party has, during this period, placed upon the statute books a number of fundamental acts greatly strengthening the power of the Administration to carry out the policies above outlined. The so-called Elkins Law of 1903 gave a practical means of destroying railway discriminations. It made the crime the same in the case of the shipper as in that of the railroad. It set up a definite standard of the published rate by which discriminations can be judged. It is under the Elkins Act that all the present indictments and convictions for railway discriminations have been secured.

In June, 1906, the so-called Rate Bill became a law. It established the great principle of the right of the Federal Government through the Interstate Commerce Commission to regulate railway rates so that the same shall be reasonable. It brought also under the jurisdiction of that body additional classes of common carriers, such as express companies, sleeping-car companies, pipe lines, etc., not theretofore covered by Federal legislation. It made complete and final the power of the Government to inspect railway accounts, and prescribe their form.

In 1903 there was also created the new Department of Commerce and Labor, and in that Department there was established the Bureau of Corporations. The Commissioner of Corporations is given compulsory power to investigate into the organization, conduct and management of the so-called industrial corporations engaged in interstate commerce. He does for industrial corporations, to a certain extent, what the Interstate Commerce Commission does for the railroads. The information he thus acquires is transmitted to the President only; and made public as he directs. This provision safeguards the use of this information, which may cover matters of private business which should be made public only upon the responsibility of a high officer of the Government. The work of this Bureau has been that of "efficient publicity"—of setting before the public, after very careful investigation, summarized statements and brief conclusions showing the important facts of corporate operations. This gives the concise information that the citizen will read and upon which he can form an intelligent and clear opinion on these paramount questions of the present. Complex corporate questions are thus reduced to their simple factors of right and wrong, and in this shape the people can settle them promptly.

It has been the established policy of the Administration to get the help of the public in settling these great questions.

Many of the most serious evils in corporate organization and management can be reached only by public opinion. Many forms of unfair competition and morally fraudulent business nevertheless are within the strict meaning of law and cannot be attacked by judicial process. The only way in which they can be reached is by the ordinary standards of business honesty as understood by the average citizen. It has been encouraging to see the effect of such a definite policy. Mere general denunciation carries little weight. But when improper conduct has been authoritatively set forth, with the specific details of time, place, person and amount, there are few managers of business in this country who dare stand up against the weight of public criticism thus directed at such transactions. Further, this is preventive; it operates beforehand. The business manager who knows that his transactions are liable to be examined and exposed by expert Government officers hesitates long before doing that which he knows will meet with public condemnation. The effect of this restraint, therefore, is general throughout business, and not, like the isolated result of a single court finding, effective only upon the particular parties to the suit and after the evil has been done.

Furthermore, this process educates public opinion. Our industrial system is the most complex thing in modern life. The average citizen has no time to investigate its details so as to draw reliable conclusions therefrom. The ignorance of the many is always the unfair advantage of the unscrupulous few. If there is anything which the voter is entitled to demand from his Government it is information in regard to such subjects. He must have it in such shape and with such authority that he will understand and accept these conclusions as a reliable basis for his views on commercial affairs. The business question is by far the most important now before the country. It is therefore clear that this business education of the public should be carried on as fully and as carefully as any work of the Government, and that the public standards of business morals be made as definite and effective as possible. This it has been the consistent policy of the Administration to do, and it has gone far toward doing it.

Thus the Government by simple exposure wiped off the business map the greatest system of railway rebates that ever existed, the one exposed by the Bureau of Corporations in its report of May, 1906. Immediately upon the publication of that report the railroads canceled every illegal rate criticised therein, as well as many others that were not illegal but nevertheless unfair. Similar action on the part of the Government in regard to certain operations in cotton exchanges has resulted already in the introduction of reforms in the methods of those exchanges. Numerous other instances have occurred where unfair methods of competition have been abandoned through fear of publicity and the small and independent competitors in a great industry have been relieved from the ruinous pressure of secret and unfair methods on the part of large corporations. So great has been the progress in public opinion, and so heavy its pressure, that the great corporations, hitherto against publicity, are now themselves openly advocating and adopting it. The most far-sighted business leaders are urging it, for the protection of their own businesses. There has been a sweeping change in public opinion that is one of the greatest advances ever seen in this nation.

This whole work of the Republican Administration has dealt with a matter of the highest importance to the nation. Upon its successful outcome depends the permanent welfare of this country, the permanent protection of property rights, the standards of business morals that are and will be current among us, the establishment of law as against those that set at naught the law.

As the President has said in his message to Congress of January 31, 1908:

"It is not a movement to be completed in one year, or two or three years. It is a movement which must be persevered in until the spirit that lies behind it sinks deep into the heart and conscience of the whole people. It is always important to choose the right end to achieve our purpose, but it is even more important to keep this purpose clearly before us; and this purpose is to secure national honesty in business and politics."

By the slow process of education, by the testing of present methods available and by suggesting new ones, the work of the Administration has thus been leading up toward that logical advance in the system of dealing with corporations which it is clear must soon come. The final solution of this question must be some efficient system of regulation, some control of corporations which shall be positive and active. The Administration has consistently stood for such an advance, believing that the present commercial machinery is too complex to be adjusted by the inflexible, occasional remedy of judicial procedure. It holds that corporate business must be regulated in the future by administrative action on the part of the Government through a permanent office supervising interstate corporations, making their accounts subject to inspection at will, publishing the important facts of corporate business in concise form, and providing also for that protection of law-abiding corporations that is the correlative of regulation.

No such system can be reached until the public believes that it is necessary. Such public opinion is rapidly growing and will, in time, bear fruit in such a system, but when this system comes, as it ultimately will, it will be largely the results of the process of education and intelligent publicity that for the last eight years has been carried on by the Republican Administration in connection with corporate affairs.

#### Bureau of Corporations.

The Bureau of Corporations, a part of the Department of Commerce and Labor, was created in February, 1903, by the act establishing that Department. It is charged with the duty of investigating into the organization, conduct and management of corporations engaged in interstate and foreign commerce (other than common carriers subject to the jurisdiction of the Interstate Commerce Commission) and of reporting the results thereof to the President, for the information of Congress and the public.

Two ideas lie at the basis of its work: Its object is the promotion of fair and honest business methods; its means "efficient publicity." Its Commissioner has compulsory powers of obtaining information. It has in its employ men of expert training in corporate affairs. With these forces at its disposal, it gathers minutely and accurately information in regard to the operations of the corporations representing the great staple industries of the country, and reduces the vast mass of this information to such shape that "the man in the street" will read it. It sets before the President, Congress, and the public reliable information as to the operations of the great interstate corporations in such brief and clear form as to show the important tendencies and conditions of corporate business. With such information as a basis, the great corrective force of public opinion can be intelligently and effectually directed at those industrial evils that constitute the most important of our present problems. The public will not read great masses of statistics or of industrial facts. These must be collected, it is true, in vast masses, but when presented to the public they must take the shape of brief conclusions, absolutely reliable, wholly impartial, and dealing only with the significant tendencies of the business or corporation in question. This is the sort of information that the citizen demands, and has a right to demand, from his Government.

On these lines the work of the Bureau has been consistently carried on. In 1905 it issued its first report on the beef industry. In 1906 it issued its report on the Transportation of Petroleum, setting forth detailed facts in regard to a large number of railway discriminations in favor of the Standard Oil Company and its subsidiary concerns, many of these illegal, others not illegal but unfair. Numerous indictments presented by the Department of Justice against these concerns were based on this report, many of which are now pending, two of which have been tried, and one of which resulted in the fine of \$29,240,000 imposed on the Standard Oil Company at Chicago in 1907. In all 30 indictments have been brought under this re-



port of the Bureau, including 9,764 offenses in ail, and covering a large portion of the country.

While the criminal prosecution of this long-established and effective system of railway discriminations is very important, a much more important result from the work of the Bureau was the sweeping effect of simple publicity on this system. Almost immediately upon the issuance of this report in 1906, the railroads canceled every illegal rate criticised in the report, as well as many other rates not illegal but unfair, and it is safe to say that never since the passage of the Interstate Commerce Act in 1887 has the giving of railway discriminations been so much curtailed as it has been since the publication of this report.

In May, 1907, the Bureau published a report on the Position of the Standard Oil Company in the Petroleum Industry, showing the additional methods used by the Standard Oil Company to secure and maintain domination in that industry. In August, 1907, the Bureau published a report on the Prices and Profits in the Petroleum Industry, setting forth mainly the price methods of the Standard Oil Company and their effect on competitors and consumers. This series of reports has gone far to lay before the public the essential facts necessary for it to form a fair and effective opinion on the operations of the dominant corporation in one of our greatest industries, and has largely relieved both the public and independent competitors of the unfair pressure of an almost controlling system of railway discriminations.

In May, 1908, the Bureau published a report on certain features of the operations of cotton exchanges, showing the injurious effects upon that industry of certain regulations and forms on those exchanges, and pointing the way toward improvement therein.

It also has now under investigation the lumber, tobacco, and iron and steel industries, the harvester industry, inland and coastwise water transportation, and a further inquiry into the operations of the cotton exchanges.

The beneficial results of the Bureau's work have appeared in the marked diminution of railway rebates, the eliminating of many forms of oppressive and unfair competition, and especially in a great advance in the intelligent, effective, and actively expressed opinion of the country as to corporate operations, as well as a far better understanding of our entire commercial system.

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## WORK OF THE DEPARTMENT OF JUSTICE ON CONTROL OF CORPORATIONS.

### Prosecutions under Sherman Act and Interstate Commerce Laws.

It has been the duty of the Department of Justice to defend the soundness of the positions taken by it in matters relating to prosecutions under the Sherman Anti-Trust Act, so-called, and also under the Interstate Commerce Act, by carrying proceedings thus inaugurated through the various courts and to a final determination in the Supreme Court of the United States. It has been the constant endeavor of the Department to have the material questions involved settled as soon as practicable, and to this end it has moved to advance cases, and has been insistent upon the prosecution of the various appeals and intermediate steps involved. The result has been a definition by the Supreme Court of many aspects of the Sherman Law, and a series of decisions under which further proceedings in enforcement of this law can be taken with reasonable hope of success; the facts in each case being determined by a thorough, and frequently expensive, examination by the Department of Justice. The following very brief statement of the cases so far decided and the particular aspect of the law decided in each, will be found to be of value as noting the progress of the work of restraining unlawful combinations:

*U. S. v. E. C. Knight Co.*—Sugar Trust Case—156 U. S. 1.

This was the first case under the Anti-trust act taken to the Supreme Court of the United States. This was a suit instituted by the Government against the "Sugar Trust." The Circuit Court and the Circuit Court of Appeals decided against the Government, and their decisions were affirmed by the Supreme Court, which held that the acts denounced by the Act of July 2, 1890, are a monopoly in interstate and international trade or commerce, and not a monopoly in the manufacture of a necessity of life.

*U. S. v. Trans-Missouri Freight Association*, 166 U. S. 290.

This was a suit to enjoin the operations of a combination of railroads engaged in interstate commerce alleged to have formed for the purpose of maintaining just and reasonable rates, and preventing unjust discriminations. The Circuit Court and Circuit Court of Appeals both decided against the Government, but their decisions were reversed by the Supreme Court, which held that the Anti-trust act applied to railroad carriers and embraced all contracts in restraint of trade and commerce among the several States and with foreign nations, and was not confined to those in which the restraint was unreasonable.

*U. S. v. Joint Traffic Association*, 171 U. S. 505.

This was a bill in equity to enjoin the alleged violation of the Anti-trust law by a combination of thirty-one railroads engaged in transportation between Chicago and the Atlantic coast, which had formed themselves into a combination to control competitive traffic, fix rates, etc. The Circuit Court and Circuit Court of Appeals decided against the Government, which decisions, however, were reversed by the Supreme Court, that court reaffirming the case of *U. S. v. The Trans-Missouri Freight Association* and holding that the Traffic Association was an illegal combination.

*U. S. v. Hopkins et al.*, 171 U. S. 578.

This was a bill to restrain the operations of the Kansas City Live Stock Exchange. An injunction was granted, but the Supreme Court reversed the decree of the Circuit Court, holding that the business of a Live Stock Exchange did not constitute interstate commerce, and was not covered by the Anti-trust act.

*Anderson v. U. S.*, 171 U. S. 604.

This was a proceeding to restrain the operations of The Traders' Live Stock Exchange, of Kansas City, an association formed for the purpose of buying cattle on the market. A temporary injunction was granted and an appeal taken to the Circuit Court of Appeals, which certified certain questions to the Supreme Court for instructions. The Supreme Court decided that the rules of the Live Stock Exchange were not in violation of the Anti-trust act.

*U. S. v. Addyston Pipe and Steel Co.*, 175 U. S. 211.

This was a suit by the Government to enjoin the operations of the cast-iron pipe trust, which attempted to enhance the price of such pipe by controlling and parceling out the manufacture and sale thereof throughout the several States and Territories to the corporations forming the combination. The Government's bill was dismissed by the Circuit Court, which decision, however, was reversed by the Circuit Court of Appeals, affirmed by the Supreme Court of the United States. That court held the combination to be a violation of the act, indicating wherein it came within the prohibitive power of the Congress and distinguishing the case from the non-violative acts in the case of the *United States v. E. C. Knight Company*.

*U. S. v. Northern Securities Co. et al.*, 193 U. S. 197.

This was a suit instituted by the Government to enjoin the Northern Securities Co. from purchasing, acquiring, receiving, holding, voting, or in any manner acting as the owner of the shares of the capital stock of the Great Northern Railway Company and Northern Pacific Railway Company, and to restrain the railway companies from permitting the Securities Company to vote any of the stock of the said railway companies, or from exercising any control whatsoever over the corporate acts of either of said railway companies, it being charged that the Securities Company was formed for the purpose of acquiring a majority of the capital stock of the two railway companies named in order that it might in that way effect practically a consolidation of the two companies by controlling rates and restricting and destroying competition, in violation of the Sherman Anti-trust act. The Circuit Court decided in favor of the Government, and this decision was affirmed by the Supreme Court of the United States.

*U. S. v. Swift & Co. et al.*, 196 U. S. 375.

This was a suit brought by the United States against the "Beef Trust" to enjoin the carrying out of an unlawful conspiracy entered into between Swift & Co. and other defendants and with various railway companies to suppress competition and to obtain a monopoly in the purchase of live stock and the selling of dressed meats. The Circuit Court decided in favor of the Government, and this decision was affirmed by the Supreme Court, which held that it does not matter if a restrictive combination embraces restraint and monopoly of trade within a single State if it also embraces and is directed against commerce among the States and that the effect of such a combination was direct upon interstate commerce.

*Hale v. Henkel*, 201 U. S. 43; *McAlister v. Henkel*, id. 90 (Tobacco Trust Cases).

These cases grew out of an investigation by a Federal grand jury in the Southern District of New York of the American Tobacco Co. and



the MacAndrews and Forbes Co., who, it was believed, were violating the Anti-trust laws. Hale and McAllister, officers of the companies, refused to produce books and papers and to testify. The Circuit Court adjudged them in contempt. Writs of habeas corpus were sued out, which, after hearing, were discharged. The Supreme Court affirmed the orders denying the writs.

*Nelson v. U. S.* (and two other cases), 201 U. S. 92; *Alexander v. U. S.* (and four other cases), 201 U. S. 117. (Paper Trust Cases.)

This was a bill in equity filed by the Government against The General Paper Co. and twenty-three other corporations engaged in the manufacture and sale of paper, alleging that the defendants had entered into a combination and conspiracy to control, regulate, monopolize, and restrain trade and commerce in the manufacture of news-print, manila, fiber, and other papers in violation of the Anti-trust act, by making the General Paper Co. their general sales agent.

In the Nelson cases the United States petitioned the Circuit Court for an order requiring the production before a special examiner of certain books, documents, and papers, and requiring defendants to answer certain questions. Refusing to obey the orders, the defendants were adjudged guilty of contempt. The Supreme Court affirmed the decision of the lower court.

The Alexander cases were similar to the Nelson cases, except that there were no proceedings in contempt, appeals having been taken on behalf of the separate defendants to the Supreme Court from the order of the Circuit Court requiring them to produce the books, papers and documents requested and to answer the questions put to them. The Supreme Court declined to entertain the appeals on the ground of writ of jurisdiction.

With regard to the latter case it may also be stated that on May 11, 1906, judgment was ordered in favor of the Government by the Circuit Court for the District of Minnesota, dissolving the combination and affording the Government all relief prayed for in its bill. A number of other cases have been successfully prosecuted by the Department of Justice, but which did not reach the Supreme Court, including the case against the Federal Salt Co., The Nome Retail Grocers' Association, The Otis Elevator Co., The National Association of Retail Druggists, and others, the details of which are given in a statement as to the civil and criminal cases instituted by the United States under the Sherman Act and the Act to Regulate Commerce, and which may be had upon application to the Department of Justice. Important proceedings in similar cases are now being carried on in the courts by the Department of Justice, including a proceeding against the Standard Oil Company in consequence of a bill in equity filed in the Eastern District of Missouri, alleging that the Company is maintaining a combination in restraint of trade in the manufacture and sale of petroleum; the case against the Reading Company and others to dissolve a combination among the anthracite coal carrying roads; the case against the American Tobacco Company and others; the case against the Powder Trust, so-called, in all of which cases the Department of Justice is actually engaged, either in investigation of evidence in support of the allegations of the bill or is actually taking testimony in connection therewith. It appears from the records of the Department of Justice that sixteen bills in equity have been brought under the Sherman act during the administration of President Roosevelt, as against eleven bills during the entire time of the previous administrations; that eighteen indictments have been brought under the same act, as against five indictments previously; that seven convictions in criminal cases have been secured, as against a single conviction in the previous history of the administration of this law. A total of \$96,000 has been collected in fines from the violators of the Anti-trust enactment.

#### **Enforcement of Act to Regulate Commerce.**

The following statement of the proceedings undertaken to enforce the Act to Regulate Commerce, with the Elkins and Hepburn amendments, indicates the activity with which the Department of Justice, under the administration of President Roosevelt, has been proceeding in this important aspect of its duties.

- 12 petitions to enjoin departure from published tariff:
- 8 temporary injunctions granted and answers filed.
- 3 injunctions granted.
- 1 pending.

- 11 petitions to enforce order of Commission:
    - 1 defendant complied and petition dismissed.
    - 4 petitions dismissed:
    - 2 injunctions granted.
    - 1 discontinued.
    - 3 pending.
  - 4 petitions to compel filing of annual reports:
    - 1 dismissed.
    - 3 discontinued.
  - 2 proceedings to compel defendants to give testimony before Commission:
    - Granted.
  - 1 petition to test law with reference to issuance of franks by express companies:
    - Pending.
  - 7 indictments for charging less than established rates:
    - 2 nol-prossed.
    - 5 pending.
  - 4 indictments for pooling:
    - 1 dismissed.
    - 3 nol-prossed.
  - 52 indictments for receiving rebates:
    - 18 convictions.
    - 1 acquittal.
    - 1 dismissed.
    - 2 demurrers sustained.
    - 30 pending.
  - 59 indictments for granting rebates:
    - 13 convictions; fines imposed aggregating \$697,000.
    - 1 dismissed.
    - 2 nol-prossed.
    - 43 pending.
  - 6 indictments for conspiring to obtain rebates:
    - 2 convictions; 1 case, 2 defendants fined \$1,025 each; 1 case, defendants fined in the aggregate \$25,000. Total fines imposed, \$27,050.
    - 1 nol-prossed.
    - 1 acquittal.
    - 2 pending.
  - 1 indictment for conspiring to grant rebates:
    - Demurrer filed and sustained.
  - 1 indictment for failure to file schedules:
    - Conviction; fined \$15,000.
  - 1 indictment for discrimination in distribution of cars:
    - Demurrer filed and sustained.
  - 1 indictment charging conspiracy to violate Interstate Commerce Laws:
    - Demurrer filed and sustained.
- Total: 129 indictments, 34 convictions, 2 acquittals, 8 nol-prossed, 5 demurrers sustained, 3 indictments dismissed, and 77 pending.

In connection with the foregoing, important results have been obtained in the Supreme Court, the law having been finally tested in the following cases:

*Great Northern Railway Company v. United States*, decided at the present term. This case involved a question of the proper construction of section 10 of the Hepburn law of June 29, 1906. It was contended by the Railroad Company that said section should be construed as showing an intention on the part of Con-

gress to release from future prosecution all offenses committed against the Elkins Act which occurred prior to the 29th day of June, 1906, except such cases as were at that time actually pending in the courts. The Supreme Court followed the contention of the Government and held that all offenses which were committed against the Elkins Act might be prosecuted at any time within the statute of limitations even though such prosecutions were instituted after the 29th day of June, 1906.

*The Armour Packing Company v. United States*, decided at the present term of the Supreme Court. This case involved the determination of two important questions of law:

First. It sustained the contention of the Government that a prosecution for granting a concession in violation of the Interstate Commerce Law with respect to the transportation of merchandise in interstate commerce, might be instituted and prosecuted in any district through which the transportation was carried. It was, in effect, held by the court that in such an offense one of the essential elements of the crime was transportation.

Second. The court also said that a contract between the carrier and the shipper for the transportation of freight for a reasonable length of time at the then established legal rate would not protect either the carrier or the shipper from future prosecutions under the law in case the common carrier changed the rate, as provided by law, and the shipper and the carrier should still continue to observe the old rate as provided for in the contract.

*Swift & Co. v. United States.*

*Cudahy Packing Company v. United States.*

*Nelson Morris & Co. v. United States.*

*Chicago, Burlington & Quincy R. R. Co. v. United States.*

Each of the above cases decided in favor of the Government, following the decisions in the Armour case.

*Interstate Commerce Commission v. Baird et al.*

Baird and other agents of certain coal carrying roads declined to give testimony before the commission in the anthracite-coal-rate investigation. On June 12, 1903, the Circuit Court for the Southern District of New York denied the motion to require the defendants to answer the questions. On April 4, 1904, the Supreme Court reversed the Circuit Court and remanded the case for further proceedings, holding that the questions propounded were proper and should have been answered. In this case further construction of the Elkins Law was made.

*United States v. Chesapeake & Ohio Railway Company et al.*

In this case a petition was filed under the Interstate Commerce Act of the Elkins Law to restrain the Chesapeake & Ohio Railway Company from giving preferences and rebates in coal rates to the New York, New Haven and Hartford Railroad Company. On February 19, 1904, an injunction was granted in the United States Circuit Court for the Western District of Virginia. On February 19, 1906, the Supreme Court affirmed the judgment of the Circuit Court.

The following cases pending in the Supreme Court of the United States and undecided:

*The Chicago & Alton Railway Company et al. v. United States.* On December 13, 1905, an indictment was returned charging a violation of the Act of February 4, 1887, as amended by the Elkins Act, for offering, granting and giving rebates to Schwartzchild & Sulsberger Company. Defendants were convicted. On December 13, 1905, an indictment was returned under the Elkins Act for granting and giving rebates on freight. July 6, 1906: verdict of guilty. July 11, 1906: the defendant corporation fined \$40,000.00, and individuals fined \$10,000.00 each. Case appealed to the Circuit Court of Appeals of the Seventh Circuit on April 16, 1907. The judgment was affirmed by the Circuit Court of Appeals on January 27, 1908, and a Writ of Certiorari was allowed to the Supreme Court of the United States. The point involved in this case is whether the allowance by the railroad company of \$1.00 a car to the Schwartzchild & Suls-

berger Company, at Kansas City, as and for a pretended rental and use of the Schwartzchild & Sulsberger tracks constituted a rebate to said company from the Alton Railway Company.

*The New York Central & Hudson River Railway Company v. United States.* On March 14, 1906, an indictment was returned under the Interstate Commerce and the Elkins Laws for granting rebates. On November 15, 1906, the Railroad Company was found guilty and sentenced to pay a fine of \$18,000.00. The case was brought to the Supreme Court on a Writ of Error. This case involves numerous questions of law arising under the Elkins Act.

*New York Central & Hudson River Railway Company et al. v. United States;* indicted on May 4, 1906; convicted October 17, 1906; the railway company sentenced to pay a fine of \$108,000.00. The case was brought to the Supreme Court on a Writ of Error.

*New York Central & Hudson River Railway Company v. United States.* Indictment returned August 10, 1906, for violation of the Elkins Act in offering, granting, and giving rebates. Demurrer sustained to the indictment upon the ground that the railway company, although a party to the joint rate, did not file and publish this rate, as required by law. The case was appealed by the Government to the Supreme Court of the United States and has been advanced for hearing early next term.

Important cases have been decided in the lower courts under this law, and, in addition, there are now pending on appeal, cases in which very large sums of money have been imposed as fines, including the fine of over twenty-nine millions of dollars imposed on the Standard Oil Company in the following case:

*United States v. Standard Oil Company* (District Court, Northern Illinois). August 27, 1906, indictment returned charging a violation of the Elkins Act in receiving rebates. November 10, 1906, demurrer filed. January 3, 1907, demurrer overruled. March 4 to April 12, 1907, trial. April 13, 1907, verdict of guilty. August 3, 1907, sentenced to pay fine of \$29,240,000. Appeal to Circuit Court of Appeals for the Seventh Circuit.\*

Further cases against the same company are pending. Another imposition of a heavy fine was that in the following case against the Atchison, Topeka and Santa Fe Railroad Company:

*United States v. Atchison, Topeka and Santa Fe Railway Company* (District Court, Southern California). January 9, 1907, indictment returned charging a violation of the Elkins Act in granting and giving rebates. April 17, 1907, demurrer filed. April 26, 1907, demurrer overruled. September 30, 1907, trial—verdict of guilty on all counts. November 7, 1907, sentenced to pay a fine of \$330,000.

Prosecutions arising out of these and other transactions have been begun against a considerable number of defendants, the full list of such proceedings being given in detail in the publication of the Department of Justice before cited.

## RAILWAY REGULATION.

### Work of the Interstate Commerce Commission.

The railways of the country are the main highways of commerce. Their ability to transport traffic measures the profitable production of this vast country. Next to personal liberty and security the right to use these highways on equal terms is the most primary and fundamental right which the individual can possess. Upon this depends his ability to engage successfully in any undertaking requiring the interchange of commod-

\* The opinion of the Circuit Court of Appeals was filed July 29 and reversed the judgment of the District Court and remanded the case for a new trial on the ground that certain errors of law were committed by the trial court. The Attorney-General will apply for rehearing in the Court of Appeals and, failing that, will seek to have its judgment reviewed and reversed or modified by the Supreme Court of the United States (see p. 48).

ities. The marvelous growth of our railways, their incomparable utility, the indispensable service they perform, the vast capital they represent, and the enormous amount of labor they employ, all require their subjection to adequate public control.

#### **History of Legislation to Control Railways in the United States.**

The first serious attempt at Federal railway control was the passage of the Act to regulate commerce, commonly known as the Interstate Commerce Law, in 1887. The administration of this law was committed to a Commission of five members, of whom not more than three should belong to the same political party. The number was increased in 1906 to seven members, with the requirement that not more than four should be of the same political party. The Commission was intended to be, and in fact has always been, strictly non-partisan.

Under the original law and its various amendments the Commission exercised such authority as was conferred upon it by the Congress, and the results were in the main highly satisfactory. The original law did not remedy all existing evils, but it did bring great relief. The publicity secured in respect of rates, contracts, and practices was alone sufficient to wipe out many of the worst existing transportation abuses, and the cases decided by the courts furnished the legal groundwork for a more perfect superstructure. Far from producing the disastrous results said to be inherent in Government regulation, the best interests of both railroads and shippers were subserved. Between 1887 and 1907 the railroads increased by about 80,000 miles, more than three times the distance around the earth, and their operations, facilities, and equipment were augmented in an unprecedented manner, while the prosperity and wealth of the country challenged the admiration of the world.

Under the scrutiny of the courts it was found that the original law was defective, not in its promulgation of fundamental rights and duties so much as in the plans for its enforcement, and the experience of the Commission brought to light abuses and certain methods of circumventing the law which were not contemplated, or even known, at the time of its passage. It was found, for instance, that although it was unlawful to charge an unreasonable or discriminatory rate, and the Commission could award damages for such charge, it was without authority to require reduction of the rate for the future. Discriminations were found to exist in collateral services rendered by the carriers, such as icing, refrigeration, elevation, storage and switching charges; and from the standpoint of sound public policy there was perhaps nothing more offensive or destructive to private enterprise than the unfair and deadly competition engendered when the railroad exceeded its duty as a carrier and became also a purchaser and shipper over its own line—a frequent occurrence in the case of such staple commodities as grain, coal, and lumber. This practice, if allowed to exist, would easily have created in the railroads an absolute monopoly in the purchase and sale as well as in the transportation of all commodities in which they might choose to become dealers.

#### **The Hepburn Act.**

Recognizing these defects and the necessity for their removal, the Republican Congress passed, and the Republican President approved, in June, 1906, the so-called Hepburn law. This enactment may, as applied to the general business interest of the country, including both consumer and producer, be termed without exaggeration the most fundamental, beneficial, and progressive legislation adopted since the Constitutional amendments which followed the Civil War. It is most emphatically the announcement in the law of the land of the doctrine, not only of the greatest good to the greatest number, but of absolute and complete justice to all. Justice may be attained in two ways—by prevention or by prosecution. Any law designed to benefit the public at large must look to prevention rather than prosecution, and although the Hepburn law provides penalties *sufficient to act both as a deterrent and a punishment* its

purpose is to provide for the prevention of abuses rather than their punishment after discovery. Damages will seldom compensate a man whose business has been destroyed by rebates allowed to a competitor. His safety lies in the absolute prohibition of those rebates. With these prefatory remarks in mind, the leading provisions of the Hepburn law may be briefly summarized as follows:

1. It amended the Elkins law so as to restore the imprisonment penalty for rebating, made the receiver of the rebate equally guilty with the giver, and provided for the recovery of threefold damages in case of acceptance of rebates. Even before this addition to the law, such vigorous prosecution of rebate cases had been conducted by the Republican Attorney-General, that the practice had become decidedly dangerous, and the statute was shown to be an effective instrument for the punishment and prevention of the crime. Through the enforcement of this Act many fines have been imposed upon carriers and shippers. As compared to rebates, nothing in the past had so powerfully aided the aggressions of industrial trusts, nothing connected with these combinations had been so offensive and destructive to the independent dealers. Within the past four years this evil has been thoroughly suppressed. This is perhaps the greatest benefit that could be conferred upon the general business interests of the country. It gives each man the same opportunity and puts the small dealers on a footing of equality with their largest rivals so far as transportation charges are concerned. The salutary provisions of this law and the resolute and persistent efforts of the Attorney-General during the present administration have practically removed this greatest and gravest of railroad abuses.

2. The Hepburn law gives the Commission power to reduce a rate found to be unreasonable or discriminatory. The primary necessity is equality of charges, but if an established schedule of rates, though actually observed in all cases and applied uniformly to everybody, is unreasonable because excessive, or unfair because it is discriminatory as between different localities or different articles of traffic, then there must be some efficient way of changing the schedule so that it shall be reasonable and free from discrimination. Any remedy in the courts by way of an action is, in the nature of the case, impracticable, for it can only relate to the past and does not act as a protection for the future. The amount involved in a particular transaction and the pecuniary consequences to a single individual are frequently so small in comparison with the cost of protracted litigation in the courts, that any known civil remedy to right offenses of that description has proved futile and inadequate; and even if the person injured could secure damages for past transactions, the offensive rate would still remain in existence. Clearly the adequate remedy is a change in the rate itself, and this remedy is provided in the Hepburn law. To any shipper, large or small, it provides relief by a simple and inexpensive method, and not only allows him the damage he has suffered but also provides against a recurrence of similar offenses in the future. And as the free and equal use of railroads is a political right which it is the duty of the sovereign to enforce, under the procedure now in force the individual shipper is relieved of the burden of expensive and protracted litigation and that task is placed where it belongs—upon the public at large as represented by the Government.

All the shipper is required to do is to show the fault to the Commission. The Commission enters its order of relief, and failure of the carrier to comply therewith becomes an offense, not against the shipper who instituted the action, but against the United States itself; and if further legal proceedings are necessary the strong arm of the Government, backed by its unlimited resources, proceeds to enforce the shipper's rights. As a practical matter, however, every order the Commission has entered since the adoption of the Hepburn law has been and is now being obeyed by the carriers. That its remedies are appreciated and applied by the shipping public plainly appears from the fact that the number of formal proceedings instituted before the Commission since June, 1906, almost equals the total number instituted between 1887 and 1906.



3. The corrective orders of the Commission are now self-operative. Under the former procedure if a carrier elected not to comply with an order it was necessary to bring suit to require enforcement, and the litigation, including appeals, might consume several years, during all of which time the party injured was without relief, and perhaps if the relief sought was finally obtained it came too late to be available. Under the Hepburn law if a carrier believes that an order is not just and lawful it must assume the burden of securing its abrogation by the courts; but it is to be assumed that under the administration of the law by an intelligent, expert, and non-partisan Commission very few cases will arise in which the carrier could convince the courts that the Commission's order of relief is unjust. As stated above, no such case has yet appeared.

4. By requiring thirty days' notice of changes in rates, the Hepburn law has abolished the so-called "midnight tariffs," whereby, under legal forms, favored shippers were given advantages in rates which really amounted to rebates. All incidental services, such as icing, storage, refrigeration, elevation, and the like, are subject to the same restrictions as the transportation itself, and abuses in the use of these incidental services can no longer exist after they are discovered. Moreover, express companies, sleeping car companies, and pipe lines have been made subject to the law and removed from the field of private bargain. So far-reaching is the application of this general principle that even where the shipper performs some part of the transportation service, or furnishes some instrumentality in connection therewith, such as private cars or elevation of grain, the Commission may reduce the compensation allowed by the railroad in case it is found to be excessive.

5. The Commission is authorized to prescribe the forms of any and all accounts, records, and memoranda kept by carriers subject to the Act, and to employ special examiners who shall have authority to inspect and examine any and all of such accounts. The work involved in prescribing a uniform system of accounting has not yet been completed, but it is possible to make a more or less accurate prediction of the benefits expected to accrue from this provision. The right to examine the carriers' accounts at any and all times is perhaps the most adequate means yet suggested for the prevention and detection of rebating and other illegal practices. The provision opens to the Government some degree of administrative supervision over the manner in which the carriers comply with the duties imposed by the law and, by localizing the responsibility for rigid enforcement of the accounting system prescribed, correct application of funds would seem to follow almost automatically. It is further to be expected that a uniform and absolutely truthful system of accounts will not only make railroad reports reliable information for investors but will also produce a stability in railroad securities hitherto unknown. In other words, the market value of railroad securities will automatically adjust itself to the actual commercial value of the property, and cease to be a barometer of questionable operations of high finance.

6. The Hepburn law absolutely prohibits a railroad from acting as a dealer in the commodities it transports. The mere statement of this provision indicates its fundamental necessity, justice, and importance. It restricts the railroad to its proper sphere of action—transportation, and relieves the public of that peculiarly unfair and destructive competition which results when the railroad becomes at once buyer, carrier, and seller.

Perhaps no more honest and unbiased tribute has yet been paid to the wisdom of the administration which placed this law upon our statute books than is found in the Commission's report to the Congress for 1907, summarizing the improvements which have resulted from the rate law. The portion of the report referred to reads as follows:

It is likewise true that the substantial and permanent benefits of this law are indirect and frequently unperceived even by those who in fact profit by its observance. It means much for the present and more for the future that the principles of this law have gained greatly in general understanding and acceptance. The injustice of many practices which ~~have~~ <sup>once</sup> almost characteristic of railway operations is now clearly ~~understood~~ <sup>appreciated</sup>, and an insistent public sentiment supports every effort for their ~~removal~~. By railway managers almost without exception the amended

law has been accepted in good faith, and they exhibit for the most part a sincere and earnest disposition to conform their methods to its requirements. It was not to be expected that needed reforms could be brought about without more or less difficulty and delay, but it is unquestionably the fact that great progress has been made and that further improvement is clearly assured. To a gratifying extent there has been readjustment of rates and correction of abuses by the carriers themselves. Methods and usages of one sort and another which operated to individual advantage have been voluntarily changed and it is not too much to say that there is now a freedom from forbidden discriminations which is actual and general to a degree never before approached. As this process goes on, as special privileges disappear, and favoritism ceases to be even suspected, the indirect but not less certain benefits of the law will become more and more apparent.

An incidental respect in which equality of treatment has been greatly promoted is in such matters as switching, terminal, demurrage, re-shipment, elevation, and other charges making up the aggregate cost of transportation. In the past it was often within the power of a carrier to waive charges of this nature in favor of particular shippers while collecting them from business rivals. Now the law and the rules of the Commission require all charges of this description to be plainly stated in the tariffs and to be applied with the same exactness and uniformity as the transportation rate itself. This is only one of the ways in which distinct advance has been made toward placing competing shippers in each locality upon a basis of equality in the enjoyment of public service.

It is this general and marked improvement in transportation conditions that the Commission observes with special gratification. The amended law with its enforceable remedies, the wider recognition of its fundamental justice, the quickened sense of public obligation on the part of railway managers, the clearer perception by shippers of all classes that any individual advantage is morally as well as legally indefensible, and the augmented influence of the Commission resulting from its increased authority, have all combined to materially diminish offensive practices of every sort and to signally promote the purposes for which the law was enacted.

The so-called hours-of-labor law, restricting the hours of labor of employees engaged either as trainmen or as telegraph operators, became effective March 4, 1908, in spite of the earnest entreaties of railroad counsel for postponement of its effective date. The Commission is authorized to execute and enforce the provisions of this law. Although the great object of the Act is to promote the safety of travelers upon railroads, by limiting the hours of service of employees within reasonable bounds, it is none the less true that in actual operation it enforces humane and considerate treatment to employees as well as greater safety to the public. Upon the courage, fidelity, and accuracy of these employees depends the life of every one who travels by railroad. The propriety of this legislation, in respect either of the traveler or employee, needs no demonstration, but its enactment does furnish additional evidence of the desire of the Republican administration to enforce the rights of the employee so far as they fall within its jurisdiction.

For enforcement of the criminal sections of the law the Commission must depend upon the cooperation of the Department of Justice. In this quarter the Commission has been sustained and encouraged in its difficult work and the law has been enforced with a degree of ability and success never before approached. Between the Department and the Commission the most cordial relations constantly obtain, and they have acted together in harmonious effort and with a common purpose to promote the public welfare. The last report of the Commission, submitted to the Congress in December, 1907, contains this significant statement:

In connection with this work of enforcement of the law by means of criminal prosecutions, the Department of Justice and its various District Attorneys have, throughout the year, been active and effective. Almost without exception those prosecutions brought to trial have resulted in convictions; also a number of highly important cases have been won in the appellate courts.

This tribute from an independent and non-partisan board to a Republican Attorney-General carries its own comment.

During the past four years the safety appliance laws have also been the subject of many judicial decisions which materially strengthen and reinforce their requirements. This humane legislation has proved of incalculable benefit to railroad employees and the public generally. It safeguards their dangerous and responsible work, and at the same time gives added security to millions of travelers. These are immense benefits to the public and to hundreds of thousands of the most intelligent and deserving workmen in the country.



**The Results Obtained.**

The total number of prosecutions brought in the courts to enforce the Interstate Commerce law under the six years of President Roosevelt's administration ending December 31, 1907, amounted to 50 per cent. more than the total number brought in the fourteen years prior to his administration during which the Interstate Commerce law was in force. In detail the prosecutions under President Roosevelt's administration and the results thereof are as follows: The Department of Justice has secured 126 indictments, upon which there have been 34 convictions, 2 acquittals, 2 suits nolle prossed, demurrers sustained in 5, indictments dismissed in 3, and 74 are pending.

The foregoing summary includes all actions brought during President Roosevelt's administration, both prior and subsequent to the enactment of the Elkins law in 1903. As indicating the efficiency of that legislation, it appears that 120 of the 126 indictments mentioned have been secured since the passage of that Act. Of these indictments 49 were for receiving rebates; of that number 27 are still pending and convictions have been secured in 18 out of the remaining 22 cases; the aggregate fines imposed were \$29,520,075, or a total of \$280,075 if the recent Standard Oil fine of \$29,240,000 be eliminated from the list. For the granting of rebates 56 indictments have been secured, of which 40 are still pending. Convictions have been secured in 13 out of the remaining 16 cases, and the fines imposed aggregate \$697,000. Six indictments have been secured for conspiring to obtain rebates. Two cases are pending and two convictions have been secured in which the fines imposed amount to \$27,050. One conviction has been secured for failure to file tariff schedules and a fine of \$15,000 imposed.

A fair conception of the work performed by the Commission in the field of regulation is not possible without reference to the results attained in respect to these cases in which formal complaint is not filed, nor proceedings of a formal nature pursued by the complainant. The public is not advised of the full extent of the work accomplished in securing, through correspondence, the voluntary adjustment by carriers of questions in dispute relating to interstate transportation, nor is the public cognizant of the extreme importance and value of the results attained.

Through the medium of correspondence is secured the settlement of many matters extremely vexatious to shippers. The questions thus amicably adjusted are not alone questions affecting the interest of individuals; on the contrary, the effect of the action taken by carriers in the adjustment of these complaints is often of widespread interest and advantage to large communities, if not indeed of vital importance to considerable sections of country. Controversies arising out of the relations between the carriers themselves are likewise, in many instances, presented to the Commission for arbitration. The Commission is also called upon frequently by traffic officials of carriers to indicate what is considered to be the proper and lawful course to be pursued in respect to the application of rates or regulations affecting transportation. Thus it will be seen that many great benefits result from the adjustment or settlement, through correspondence, of questions informally submitted for investigation.

During 1907 more than 4,300 complaints of this character were filed with the Commission, as against 503 in the year 1905, and 1,002 in the year 1906, showing an increase of more than 400 per cent. over the preceding year. Upon such complaints reparation was allowed to injured shippers in 561 cases, aggregating about \$104,700. All of the adjustments involved have been secured as the result of friendly intervention and correspondence by the Commission with the parties interested. These informal complaints relate to every conceivable subject connected with the rates, methods, practices, and service of interstate carriers.

Perhaps no part of the Commission's work since the passage of the Hepburn law has been of more far-reaching importance, *will be more productive of equality of treatment and charges, and the reforms which have been instituted in respect to the*

publication and filing of tariffs. In the past many tariff publications were so voluminous, intricate, and complex that it was difficult even for an expert to determine a particular rate. Opportunities to get business were met by the issuance of tariffs "expiring with this shipment;" by quotation of rates found in some other carrier's tariffs and applicable via another route; by quotation of rates not found in any tariff; by forwarding under regular tariff rates and refunding an agreed upon proportion thereof, and by forwarding under regular tariff rates and agreeing to "protect" the rate of any competing carrier. Joint through rates were frequently in excess of the sums of the local rates between the same points, and the tariffs contained notations that if lower combinations could be made upon given points, such lower combinations would apply. The net result of this situation was that no absolute rate was stated. The large shipper with a force of tariff experts at his command by means of his special knowledge of the possibilities of combinations, rates via competing routes, reconsignment and other practices could secure rates lower than those which appeared on the face of the tariffs to be in force, and perhaps the only person who paid the full tariff rate was the small shipper without the expert knowledge necessary to manipulations of this sort.

Definiteness, clearness, and simplicity in stating transportation charges, uniformity in applying rates so stated, and stable conditions are the ends aimed at in the law and enforced by the Commission. The rules which the Commission has promulgated have eliminated the complexities and contradictions which in the past have characterized tariff construction and have resulted in securing the publication of a single rate for a given service applicable to the shipper without expert knowledge as well as to the industrial combination with a force of trained men at his command. Perhaps more than individual reductions of excessive rates, or convictions for rebate, this reform has brought about absolute equality between shippers large and small in the payment of freight charges. Generally speaking the existence of a joint through rate in excess of the sums of the locals was indefensible, and the Commission's rules upon this subject have resulted in the actual reduction of such higher through rates in thousands of instances. The magnitude of the work is suggested by the fact that in the 12 months ended November 30, 1907, there were filed with the Commission 220,982 tariff publications, all containing changes in rates and rules governing transportation, and about 400,000 notices of concurrence in tariffs. It cannot be doubted that the reformation of the railroad tariffs of the country in such shape that the legal rate can be easily ascertained by a person of ordinary intelligence will be perhaps of as much benefit to the carriers and their agents as it is to the public at large.

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#### THE COURTS AND THE CORPORATIONS.

The work of the Department of Justice and of the Interstate Commerce Commission with reference to corporations is stated in the chapters relating to those branches of the Government, but the following summarization of the important cases acted upon by the courts during the past four years will be of additional value in this connection.

The Act of June 29, 1906, known as the Hepburn Rate Law, amended and strengthened the Interstate Commerce laws respecting rebates in interstate transportation, and in many other important particulars, embracing within those laws oil pipe lines, express companies, and sleeping car companies as common carriers in interstate transportation, prohibiting interstate passes or free transportation, prohibiting railroads to transport from one State or Territory to another, or to a foreign country, commodities in the production or manufacture of which they are interested directly or indirectly, giving the Interstate Commerce Commission power to determine and enforce just and reasonable maximum rates, and enlarging the powers of the Commission

to elicit and compel information from railroad carriers as to their capitalization, indebtedness, earning, operation, etc.

Important cases are now pending in the courts relative to various features of this law, especially the commodity clause, the power of the Commission to fix rates and to compel the production of information. These cases are under the special control and direction of the Attorney-General, and will receive his personal attention in the argument in the Supreme Court when they reach that tribunal.

In the *Beef Trust Case* the Supreme Court held that a combination of a dominant proportion of the dealers in fresh meat throughout the United States, in order to regulate prices and restrict shipments, is an illegal combination within the prohibition of the Sherman Anti-Trust law. (Decided January 30, 1905; 196 U. S., 375.)

In the cases against the *New York, New Haven & Hartford* and the *Chesapeake & Ohio Railway Companies*, the important point decided by the Supreme Court was that a carrier under the Interstate Commerce Act cannot contract to sell and transport and deliver a certain commodity when the transaction amounts to granting indirectly a less rate than the published rate for the transportation; that, whatever the device or method, such a contract is illegal under the Interstate Commerce laws if the amount charged for transportation is less than the published rates. (Decided February 19, 1906; 200 U. S., 361.)

In the recent case of the *Great Northern Railway Company v. United States* (decided February 24, 1908, 208 U. S., 452), the Supreme Court adopted the Government's construction of section 10 of the Hepburn law, and held that the provision therein contained relating to pending prosecutions was only intended to save methods of procedure provided for by the old law, and did not operate to release prior offenders from prosecution. The result of this decision enabled the Government to prosecute all offenses which had been committed against the Elkins Law prior to the passage of the Hepburn Law, provided, only, such offenses were not barred by the statute of limitations when instituted.

In the other recent cases of the packing companies (decided March 6, 1908, 209 U. S., 56), several important questions were decided in favor of the Government.

1. It was held that a "device" to obtain rebates, in order to come within the prohibition of the Interstate Commerce Law, including the Elkins Act, need not necessarily be fraudulent, but that the term "device" includes any plan or contrivance whereby merchandise is transported for less than the published rate, or whereby any other advantages may be given to or discriminations practiced in favor of the shipper.

2. It was held that the shipper and the carrier could not make a "contract" for the transportation of freight at the legal rate and for a reasonable length of time which would protect the shipper from a prosecution at the instance of the Government on the charge of receiving a rebate *in the event* that the carrier *subsequently* and during the life of the contract *advanced* the rate as provided by law and notwithstanding such advance the shipper still continued to ship under his contract rate.

3. It was also held in this case that in prosecutions for violations of the Elkins Act the Government could prosecute either the carrier or the shipper in any judicial district through which the transportation was conducted; in other words, that the carriage of the merchandise was a necessary and indispensable element of the offense defined by the law. This was a most important question to have settled for our guidance with respect to future prosecutions.

In the case of the Government against the *Standard Oil Company of New Jersey* as an illegal combination in restraint of trade, a preliminary victory was won by the Government respecting jurisdiction, the power of Congress to authorize the process of a Federal Court to run outside its district, and other related questions, by a decision of the Circuit Court in the Eastern District of Missouri, March 7, 1907. *U. S. v. Standard Oil Co.*, Fed. Rep., 290)

This case, which is the usual suit in equity under the Sherman law to dissolve an illegal combination is steadily proceeding on the taking of testimony, and it is expected will be heard by the Circuit Court within the next six months. The Government is also conducting other proceedings against the Standard Oil Company, including a prosecution for taking rebates on shipments of oil from the Western Pennsylvania and New York oil fields to New England points, which is pending and will soon be tried in the Circuit Court of the United States for the Western District of New York.

In the case of the United States against the *Standard Oil Company of Indiana*, in which a fine of \$29,240,000 was imposed, the United States District Court for the Northern District of Illinois held that under contracts by a shipper for through interstate shipments solely with one railroad company, although such shipments passed over the lines of other companies, a common arrangement between the carriers for a continuous carriage is sufficiently proved, and that under such a contract and arrangement, where the shipper obtained a concession from the lawful published rates in interstate shipments in violation of the Federal law, the fact that another railroad or route may have had a published rate about as low is immaterial, the shipper is chargeable with knowledge of the lawful rate where it has been published and filed in accordance with law and is accessible to the public, unless he is misled after using proper diligence to ascertain the rate; and, finally, that under the provisions of the Elkins Act forbidding the giving or receiving of rebates, where a shipper has been continuously receiving rebates the Government is not limited to a prosecution for a single offense, but each shipment made at the illegal rate constitutes a separate offense, and under established rates on car lots, each car constitutes a separate shipment. (Decided August 3, 1907; 155 Fed. Rep., 305.)

The judgment in this case was reversed in the Circuit Court of Appeals and the case remanded with instructions to grant a new trial by an opinion filed July 22, 1908, on the grounds that the trial court erred in its rulings on the admission and exclusion of evidence bearing on the shipper's intent and its actual knowledge of the lawful published rate; that the trial court also erred in making each carload and not an entire shipment the unit or integer to determine the number of offenses, and abused the discretion vested in the court in imposing the fine.

It is the earnest contention of the Government that the Court of Appeals mistook the state of the case shown by the record as to the admission and exclusion of evidence, and adjudged the other propositions of law incorrectly in view of the authorities. Immediate steps will be taken to have this decision reconsidered and reviewed in all the ways known to the law.

On July 29, the Attorney-General issued the following statement regarding the case:

"The Government will make every effort in its power to secure a revision of the recent decision and opinion of the Circuit Court of Appeals for the Seventh Circuit in the case of the Standard Oil Company of Indiana, either by the Court of Appeals itself, or, if necessary, by the Supreme Court of the United States. The gentlemen who have been in consultation with me all unite in my opinion that in the interest of the impartial and effective administration of our laws, such action on the part of the Government is imperatively demanded by the circumstances of the case and the possible consequence if this opinion should stand as authority without question by the government.

"To this end an application for a reargument of the case and a motion for a modification of the opinion will be submitted to the Circuit Court of Appeals in behalf of the United States at the earliest possible moment. Other appropriate steps will be taken afterward, their character to be determined by the Court's action upon this application.

"The pending prosecutions in which the giving or receiving of rebates or offenses of like character are charged will be pressed to trial and judgment by the government with all possible energy and as promptly as may be practicable.

"In the view of the Government's legal advisers the reversal of the judgment in the case recently decided in no way affects the merits of that controversy or the necessity and duty of bringing to punishment if possible in this and any other cases any individual or corporation shown to have evaded or defied the laws."

In *United States v. McAndrews & Forbes Co.*, an indictment under sections 1 and 2 of the Sherman Anti-Trust law of

one of the constituent members of the Tobacco Trust, it was decided on demurrer, among other points, that a corporation may be liable criminally for conspiracy, and that an indictment under the anti-trust law may charge all who aid in the commission of the offenses as principals, and a corporation and its officers who personally participated in committing the offenses may be joined as defendants, although their acts may be separate and not done at the same time, and that to bring any given case or scheme within the law, the restraint of trade need not amount to a total suppression, nor the attempt at monopoly to a complete monopoly, but it is sufficient if the necessary operation tends to restrain interstate commerce and to deprive the public of the advantages flowing from free competition. (Decided December, 1906; 149 Fed. Rep., 823.) The case is now pending in the Supreme Court, having been taken there on a writ of error by the defendants, who were convicted in the trial court.

In the proceedings preliminary to the *Paper Trust* suit and the *Tobacco Trust* prosecution, the United States won a very important victory by compelling certain witnesses to testify under personal immunity, without protecting other persons or corporations, with the result that in the *Paper Trust* case the final decree provided for its dissolution, and the Tobacco Trust prosecutions are proceeding, along with a suit in equity to dissolve that combination, with the aid of the testimony and information of which the Government compelled the production. (*Paper Trust Cases*, 201 U. S., 92, 117; decided March 12, 1906; *Tobacco Trust cases*, id., 43, 90, decided same day.)

In the suit in equity to dissolve the *Tobacco Trust* the testimony has all been taken, and the argument before the Circuit Court has just been completed, May, 1908.

The suit against the *Anthracite Coal Trust* is now ready to be pressed vigorously, and active proceedings will be undertaken forthwith and maintained in the Federal Court for the Eastern District of Pennsylvania, where the bill to dissolve the combination was filed.

In the case of the *United States v. The New York, New Haven and Hartford Railroad Company et al.*, recently instituted in the United States District Court for the District of Massachusetts, the Government seeks to enjoin that company from exercising further control through stock ownership over the Boston and Maine Railroad Company and to prevent the New Haven road from controlling the various trolley lines paralleling said road in the States of New York, Connecticut, Rhode Island and Massachusetts. The bill charges the New Haven road with combining and attempting to combine under one common control the various railroad systems and electric railway systems in New England.

It will thus be seen that, in obedience to the demand of the people and the legal and economic policy reflected in the Sherman law, the Republican administration, legislative and executive, has been steadily proceeding during the last four years to maintain its record of uncompromising prosecution against the great combinations which are violating the law. It is clear that the Government policy and efforts have been to reach the strong and vast aggregations of power and capital, rather than to avoid enforcement of the law against them and proceed against minor and less culpable defendants, and the foregoing review shows also that the results achieved have been commensurate with the importance of the subject and with the efforts of the Government.

#### THE CAST-IRON PIPE CASE.

##### Judge Taft's Decision and its Important Relation to the Trust Question.

No list of judicial decisions declaring the power of Congress over combinations in restraint of trade is complete without naming the Addyston Pipe & Steel Co. case. It was one of the early and most important successes of the Federal Government in attempting to enforce the Sherman Anti-trust Act,

and was a signal judicial victory for Judge William H. Taft, for the Supreme Court in deciding the case affirmed the Circuit Court of Appeals and adopted the reasoning and quoted a considerable portion of Judge Taft's opinion in deciding the case in the lower court. The Circuit Court had decided the case against the Government in a long and exhaustive opinion, so that the decision of the Appellate Court, delivered by Judge Taft, which the Supreme Court held was the law was a path-breaking one and blazed the way for later decisions which have settled beyond all dispute the wide-reaching power of Congress under the Interstate Commerce clause of the Constitution. When the case was first tried, over eleven years ago, the power of Congress was not clearly understood, even in the minds of lawyers and court.

The history of the case, briefly stated, is as follows: The Attorney-General of the United States filed a bill in equity against six corporations engaged in the manufacture of cast-iron pipe, charging them with a combination and conspiracy in unlawful restraint of interstate commerce in such pipe in violation of the "Anti-trust Law." The companies manufactured iron pipe in four different States and they divided their sales territory into six districts, and agreed not to bid against each other, though fictitious bids were put in at prices higher than was bid by the member of the combination in whose territory the particular contract to be bid on was located. The Circuit Court dismissed the bill, basing its decision mainly on the case of *United States vs. E. C. Knight Company*, wherein the United States Supreme Court dismissed a bill filed under the anti-trust law, which sought to enjoin the defendants from continuing a union of substantially all the sugar refineries of the country for the refining of raw sugars. The Supreme Court held the monopoly thus effected was not within the law, because the contract or trust agreement related only to the manufacture of sugar and not to its sale, and it was not within the power of Congress to regulate manufacture within a State. The trial court held the cast-iron pipe case was governed by the reasoning in the sugar trust case, and decided against the Government. The case was appealed to the Circuit Court of Appeals, and was heard by Mr. Justice Harlan, of the Supreme Court, and Circuit Judges Taft and Lurton. This court held the combination was unlawful, both at common law and under the Sherman act of 1890 against trusts and monopolies.

Judge Taft's opinion, delivered February 8, 1898, was hailed by the Government as a great victory in its fight against monopolies, and on December 4, 1899, the Supreme Court affirmed Judge Taft's decision and adopted his reasoning and the very language in his opinion.

The closing paragraph of Judge Taft's opinion is worth quoting entire: "Much has been said in argument as to the enlargement of the Federal Government functions in respect of all trade and industry in the States if the view we have expressed of the application of the anti-trust law in this case is to prevail, and as to the interference which is likely to follow with the control which the States have hitherto been understood to have over contracts of the character of that before us. We do not announce any new doctrine in holding either that contracts and negotiations for the sale of merchandise to be delivered across State lines are interstate commerce, or that burdens or restraints upon such commerce Congress may pass appropriate legislation to prevent, and courts of the United States may in proper proceedings enjoin. If this extends federal jurisdiction into fields not before occupied by the general government, it is not because such jurisdiction is not within the limits allowed by the Constitution of the United States."

Not one of the least of Judge Taft's services to his country was his illuminating and record-making decision in the *Addy-ston Pipe and Steel Company* case.

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One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—*New York World*.

**THE DEMOCRATIC PLAN OF TRUST REGULATION IS THE PLAN PROPOSED BY STANDARD OIL MAGNATES.**

The plan which the Democratic national platform of 1908 proposes for the control and regulation of trusts and corporations engaged in interstate commerce is precisely that proposed and publicly recommended by the Standard Oil President and Vice-President. Moreover, it is certified to by Mr. Bryan's paper, the "Commoner," as the genuine Standard Oil plan.

The "Commoner," in its issue of October 31, 1902, says:

The plan of vesting in the Federal Government exclusive control of trusts was not originated by the present leaders of the Republican party. John D. Rockefeller in his testimony before the industrial commission, when asked what legislation would be advisable, said: "First, federal legislation under which corporations may be created and regulated, if that were possible." Vice-President Archbold, of the Standard Oil Company, said: "The next great and, to my mind, inevitable step of progress in the direction of our commercial development lies in the direction of national or federal corporations." Henry H. Rogers, a Standard Oil magnate, indorsed Mr. Archbold's suggestion.

**The Plan Proposed by Standard Oil Magnates in 1899.**

The recommendations of the Standard Oil magnates referred to by Mr. Bryan's "Commoner" and apparently followed in the Democratic platform of 1908, will be found in detail in Vol. 1 of the Report of the Industrial Commission. On page 797 Mr. Rockefeller is asked: "What legislation, if any, would you suggest regarding industrial combinations?" His answer is: "First, *Federal legislation under which corporations may be created and regulated*, if that be possible; second, in lieu thereof, State legislation as nearly uniform as possible encouraging combinations of persons and capital for the purpose of carrying on industries, but permitting State supervision, not of a character to hamper industries, but sufficient to prevent frauds upon the public."

(Signed) JOHN D. ROCKEFELLER.

On page 565 of the same volume, Mr. Archbold, Vice-President of the Standard Oil Company, says: "If you should ask me, gentlemen, what legislation can be imposed to improve the present conditions, I answer that the next great, and to my mind, inevitable step of progress in the direction of our commercial development lies in the direction of National or Federal corporations. \* \* Lack of uniformity in the laws of various States, as affecting corporations, is one of the most vexatious features attending the business life of any great corporation today, and I suggest for your most careful consideration, the thought of a Federal Corporation law."

**The Plan Proposed by the Democratic Platform in 1908.**

The portion of the Democratic national platform of 1908 which offers the plan of the Democratic party with reference to trust regulation is as follows:

"We favor the vigorous enforcement of the criminal law against guilty trust magnates and officials, and demand the enactment of such additional legislation as may be necessary to make it impossible for a private monopoly to exist in the United States. Among the additional remedies we specify three: First, a law preventing a duplication of directors among competing corporations; second, *a license system which will, without abridging the right of each State to create corporations, or its right to regulate as it will foreign corporations doing business within its limits, make it necessary for a manufacturing or trading corporation engaged in interstate commerce to take out a Federal license before it shall be permitted to control as much as twenty-five per cent of the product in which it deals*, the license to protect the public from watered stock and to prohibit the control by such corporation of more than fifty per cent of the total amount of any product consumed in the United States; and, third, a law compelling such licensed corporations to sell to all purchasers in all parts of the country on the same terms, after making due allowance for cost of transportation."



The Republican platform, *instead of proposing to give special favors to certain corporations in the form of Federal licenses as proposed by the Standard Oil magnates and the Democratic party*, proposes uniform and equal enforcement against all corporations, great or small, of existing law and such further laws as may be necessary. The plank of the Republican platform of 1908 is as follows:

"The Republican Party passed the Sherman Anti-trust law over Democratic opposition and enforced it after Democratic dereliction. It has been a wholesome instrument for good in the hands of a wise and fearless administration. But experience has shown that its effectiveness can be strengthened and its real objects better attained by such amendments as will give to the Federal Government greater supervision and control over and secure greater publicity in the management of that class of corporations engaged in interstate commerce having power and opportunity to effect monopolies."

It must be, at least, a pleasing surprise to the Standard Oil Company, after its recent experience with Republican officials in enforcement of existing laws, to find the Democratic platform declaring for the very legislation publicly recommended by its President and Vice-President in 1899 and certified to by Mr. Bryan's "Commoner" in 1902, as the genuine Standard Oil plan in behalf of corporations.

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The biggest corporation, like the humblest private citizen, must be held to strict compliance with the will of the people as expressed in the fundamental law.—President Roosevelt at Cincinnati, Ohio, September 20, 1902.

The tariff affects trusts only as it affects all other interests. It makes all these interests, large or small, profitable; and its benefits can be taken from the large only under penalty of taking them from the small also.—President Roosevelt at Minneapolis, April 4, 1903.

Under present-day conditions it is as necessary to have corporations in the business world as it is to have organizations—unions—among wage-workers. We have a right to ask in each case only this; that good, and not harm, shall follow.—President Roosevelt at Providence, R. I., August 23, 1902.

Mr. Bryan's whole system of remedies for the evils that both Mr. Roosevelt and he and many others recognize, is based on his distrust of the honesty, courage and impartiality of the individual as an agent on behalf of the people to carry on any part of government and rests on the proposition that our present system of representative government is a failure. He would have government ownership of railways because he does not believe it is possible to secure an interstate commerce commission that the "money power" cannot and will not ultimately own. He would have the initiative and referendum because he distrusts representative government and has no confidence in the ability of the people to find men who will conscientiously, and free from the influence of the "money power," represent them in preparing and voting legislation. He would take away from courts, because he distrusts the ability of judges to resist the malign influence of the "money power," the power to enforce their own orders until a jury is called to tell the court whether the order has been disobeyed, and thus, in practice, though not in theory, the jury would come to pass on the correctness and justice of the court's order.—Hon. Wm. H. Taft, at Columbus, Ohio.

The Democrats are a party having no solidarity, uniting elements that are as unmixable as oil and water, and when they come to make a government, should they ever be elected to power, the administration would become as nerveless as a man stricken with paralysis, because the radical difference between the elements necessary to make up the party would be so great as to produce perfect stagnation in legislative provision for the emergencies which might arise. The Democratic party today, as organized, is nothing but organized incapacity. Neither element of the party would have a sense of responsibility strong enough to overcome its antagonism to the principles upheld by the other faction, were it to come into power.—Hon. Wm. H. Taft, at Montpelier, Vermont.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.



## THE MONEY PANIC OF 1907.

The panic of 1907 was financial, not industrial or commercial. The country was at the high tide of industrial and commercial activity. The great manufacturing industries and those related thereto were making their highest records. The value of manufactures shown by the census of 1905 (including its estimate for customs work and repairing) aggregated nearly 17 billion dollars, against 13 billions in 1900, 9 1-3 billions in 1890, and 5 1-3 billions in 1880. The imports of manufacturers' materials in the fiscal years 1906 and 1907 so much exceeded those of 1905 as to make it perfectly apparent that the manufacturing activities of those years were still in excess of those recorded by the census of 1905. Not only were imports of manufacturers' materials higher in 1907 than ever before, but exports of manufactures were also in excess of any former year, thus again indicating unusual activity in manufacturing; while the fact that the quantity of pig iron produced, the quantity of coal mined, the quantity of freights carried on the Great Lakes and on railroads, the quantity of grain, flour, cotton, live stock, meats and other commercial staples arriving at the great interior centers and departing therefrom was also greater than ever before, gives further evidence that the commercial as well as industrial conditions of the early and mid-summer months of 1907 were at high-water mark. The railroads, with all their greatly increased facilities in trackage, in cars and equipment, were unable to respond to the business activity, and James J. Hill, a distinguished Democrat, who had declared in November, 1906, that the traffic congestion exceeded imagination, and that there was neither money enough nor rails enough in the world to build track enough to carry the traffic offered, declared again in 1907 that the railroads would need 1,100 million dollars yearly for five years for construction work.

The demands for money for conducting and enlarging these great industrial, commercial, and transportation enterprises grew apace. In January, 1907, the Chicago and Alton sold \$6,000,000 of notes, the Western Indiana \$5,000,000, the Southern \$15,000,000, New York Central \$50,000,000, and the Chicago and Northwestern voted to issue \$25,000,000 of stock. In February the Rock Island sold \$6,500,000 of notes, the Lackawanna Steel Company \$5,000,000, the Interborough Rapid Transit Company of New York \$10,000,000, the Pennsylvania \$60,000,000, the Tidewater Railroad \$10,000,000. New York city sold \$30,000,000 of bonds and the New Haven road \$28,000,000 of bonds. In the succeeding months the issues of securities of this character continued until by the middle of the year the total thus issued in sums sufficiently large to be easily noted aggregated more than a thousand million dollars of securities thus placed upon the market, and this continued into August and September, despite the fact that the scarcity of money resulted in the actual issue of but one billion dollars' worth of railway notes, stocks and bonds out of a total of more than 1½ billions authorized. But the world's losses of capital by wars, coupled with the speculative investment, rendered loans more and more difficult.

The amount of money in circulation in the United States was nearly three billion dollars, and including the money in the Treasury exceeded three billions, and the amount of per capita circulation was larger than ever before, being over \$32, as against a little over \$21 in 1896. Nine-tenths of the business was as usual in times of financial peace, being transacted by the use of checks, script, notes and other financial paper. Millions of holders of surplus money had deposited the surplus in banks, which in turn had loaned the legitimate proportion of their deposits, and these had been in turn deposited by those to whom the loans were made or by others, so that the aggregate record of deposits in all banks and loan and trust companies of the country was in 1907 over 13 billions of dollars, while the actual amount of money

the country was, as above shown, but about three billion dollars. It goes without saying that any sudden incident which would startle and alarm these millions of depositors whose bank records showed an aggregate of 13 billions of dollars would cause them suddenly to rush to the banks and demand their money, thus creating not merely a panic, but rendering the banks physically unable to meet their demands, since the credits to depositors amounted to more than four times the amount of money actually in the country, including both that in circulation and the amount held by the Treasury.

In October occurred a series of incidents sufficient to cause just the sort of alarm indicated. The three Heinze Brothers, large operators in Wall street, failed in an attempt to manipulate certain copper stocks, and this resulted in a run upon the Mercantile National Bank, of which one of the brothers was president. The collapse of the copper pool and the resulting loss of confidence in the Heinze Mercantile National Bank led to a distrust of certain other banks, and this being followed by the compulsory resignation of certain bank officers increased the alarm of depositors, and runs were begun, resulting in demands which were far in excess of the ability of banks instantly to meet. As the panic spread to other parts of the country other millions of depositors demanded their hundreds of millions of deposits, and again in excess of the immediate ability of the banks to respond, although practically all of them would have been, under ordinary conditions, able to meet the ordinary calls from their depositors. This condition was met in part by additional deposits of public moneys in national banks, as shown by extracts on subsequent pages from the report of the Secretary of the Treasury to Congress, appended hereto; in part by the issuance of clearing-house certificates, in part by the refusal of banks to pay on any one day more than a small percentage of the sum due each depositor, and in other cases by the declaration of a two weeks' holiday by the governors of certain States, thus holding in check the momentary alarm, and by January the banks of the country had returned to a cash basis and to full cash payment of such calls as were made upon them by their depositors.

The President in his message of December, 1907, recommended legislation providing for a more elastic currency by issuing emergency circulation, secured by State and municipal bonds. This recommendation gave rise to the introduction of various financial bills, among which were the Aldrich bill, introduced in the Senate, and the American Bankers' Association bill, the Fowler bill, the Vreeland bill, and many other bills, introduced in the House. There was a spirited discussion in both houses of Congress, and wide differences of opinion prevailed as to the merits of the various plans. This resulted at the close of the session in a compromise bill, which was signed by the President on May 30. This bill was designed to prevent the recurrence of the financial troubles experienced in the autumn of 1907, among which was the need of additional currency for emergency purposes. The bill as passed, stated briefly, provides for the issuance of emergency currency on State and municipal bonds at 90 per cent of the unimpaired capital and surplus of the bank, and other securities at 75 per cent of their cash value. The applications for the issue of emergency currency are to be made to the Comptroller of the Currency and submitted by him to the Secretary of the Treasury, the securities pledged for the issue of such currency to be guaranteed by the national currency associations. This legislation marks a very liberal and progressive step forward in the securing of an elastic currency. At the same time the Treasury is amply safeguarded by the guaranty of the associations, which practically eliminates all hazard as to the soundness of the security. The high rate of 5 per cent to 10 per cent per annum is expected to retire the circulation when the emergency is past.

The able management of the Secretary of the Treasury in utilizing public funds to stay the incipient panic of March, 1907, and his timely preparation for anticipating the need of money for crop moving purposes by depositing funds early in the national banks to prevent a tightness in the money market, deserves high commendation. It was an action of prevention, instead of

waiting for a cure, which latter always involves cost and disaster. When the panic reached most dangerous proportions in New York the Secretary of the Treasury hastened there, and with the prompt cooperation of the bankers \$150,000,000 were pledged to stay the progress of the panic. Of this sum about \$40,000,000 were pledged in a temporary way by the United States Treasury. Further aid was extended by the Secretary of the Treasury issuing 3 per cent certificates of indebtedness and Panama bonds. He permitted the banks to take out circulation on these securities, and also allowed them to substitute bonds acceptable for savings bank investments for Government bonds pledged for public deposits, provided the released bonds were used for securing additional bank note circulation. In this way some \$86,000,000 in national bank notes were issued from October 1, 1907, to January 1, 1908. This action was severely criticised by many who did not understand the conditions that required it. His remarkable reply to Congress, giving reasons to justify the steps he had taken to relieve the situation, won the approbation of Congress as well as that of the country.

In addition to emergency legislation, a commission was appointed, known as the "National Monetary Commission," composed of nine members, to inquire into and report to Congress at the earliest practicable date what changes are necessary or desirable in the monetary system of the United States, or in the laws relating to banking and currency, which should enable Congress to legislate intelligently and to assure the country a sound, scientific, and elastic currency to meet all the conditions of our modern business life.

Discussing the panic and its causes, Secretary Taft in an address before the Merchants and Manufacturers' Association of Boston, on December 30, 1907, said: "The world generally has a certain amount of loanable capital available for new enterprises or the enlargement of old ones. In periods of prosperity this capital, with the instrumentalities for enlarging its potentiality by credits, is put into new enterprises which are profitable, and the increase in free capital goes on almost in arithmetical progression. After a time, however, expenses of operation and wages increase and the profit from the new enterprises grows smaller. The loanable capital gradually changes its form into investments less and less convertible. Much of that which might be capital is wasted in unwise enterprises, in extravagance in living, in wars and absolute destruction of property, until the available free capital becomes well nigh exhausted the world over, and the progress of new enterprises must await the saving of more. Men continue to embark in new enterprises, however, the capital fails them and disaster comes.

"For eight or nine months last past there were many indications that the loanable capital of the world was near exhaustion. This result was brought about not only by the enormous expansion of business plants and business investments, which could not be readily converted, but also by the waste of capital in extravagance of living and by the Spanish war, the Boer war, and the Russian-Japanese war, and in such catastrophes as Baltimore and San Francisco. It became impossible for the soundest railroads and other enterprises to borrow money for new construction or reconstruction. The condition was not confined to this country, but extended the world over, and was made manifest in the countries of Europe even before it was felt here.

"Secondly, the conclusion cannot be avoided that the revelations of irregularities, breaches of trust, stock jobbing, overissues of stock, violations of law, and lack of rigid State or National supervision in the management of some of our largest insurance companies, railroad companies, traction companies, and financial corporations shocked investors and made them withhold what little loanable capital remained available. Such disclosures had much more effect, probably, abroad than they had here, because here we are able to make distinctions, while there, at remote distance, the revelations created distrust in our whole business fabric.

"When, therefore, two or three institutions, banks and trust companies, supposed to be solid, were found to have their capitals impaired by stock jobbing of their officers, the public were easily

frightened and the run upon the banks began. The question then became not one of loanable capital, but of actual money to be used in the transaction of the day, a very different question, though of course closely related.

"It would seem that our system of currency is not arranged so as to permit its volume to be increased temporarily to counteract the sudden drain of money by the hoarding in a panic. It is probable that the stringency which reached its height on that dark day of October 24 might in part have been alleviated had we had a currency which could automatically enlarge itself to meet the tremendous demand of a day or a week or a month while public confidence was being restored. The National Administration, together with many of the large capitalists of New York and elsewhere, put their shoulders under the load, and by various devices of an unusual character have brought about the present condition of gradually increasing confidence.

"The injurious consequences to follow from this panic are not likely to be so long drawn out or to result in such disastrous industrial depression as the panic of 1893 or the panic of 1873, and this for the reason that the condition of the country makes it so much easier to resume business gradually, to accumulate capital, and then to renew those enterprises which had to be abandoned for the lack of it."

W. B. Ridgely, who was Comptroller of the Currency during the financial troubles of 1907, says: "As long ago as the date of the San Francisco catastrophe there has been no lack of warning indications of financial troubles and possible business disaster. For at least 10 or 12 years there has been an era of advancing prices and great industrial, commercial, and speculative activity in all countries of the world. Credits have increased and multiplied until the limit has been reached in the amount of reserve money on which it must be based. \* \* \* These conditions have been world-wide and by no means confined to the United States. Crises of more or less severity have arisen in several important countries, and, as is always the case when there is a demand for liquidation, it first manifested itself in the stock market."

Representative Hill of Connecticut, discussing the subject, said: "The panic of 1907 began with the distrust of individual credit and a profound suspicion of the banks managed by the men whose credit was so distrusted. The causes lay deeper, but they were manifested in the weakest spot. The conditions which brought the panic were world-wide and not confined to the United States."

Representative Vreeland of New York said in a speech in Congress upon this subject: "On the first day of October the American people were blest with great prosperity. Everywhere the millions of our people were engaged in gainful occupation. Our mills and factoris were uable to fill their orders. The consuming power of our people had never been greater. The railroads of the country could not furnish sufficient cars to move the products of farm and factory. The people of New York city took fright and commenced drawing their deposits from other banks. The bankers clear across the continent became alarmed, and all tried to draw their money from New York in cash at one time. The result was that the New York banks were obliged to refuse payment, and a general suspension of cash payment took place throughout the United States."

Representative Weeks of Massachusetts, discussing this question in the House of Representatives, said: "The reasons for this panic were, generally speaking, overspeculation, overcapitalization, overexpenditures by the Government, States and municipalities, as well as by individuals, the tying up of large amounts of capital in permanent fixtures instead of retaining it as liquid capital, the carrying of excessive stocks of goods, the abnormal development of business in every branch, all of which led to the credit expansion of the dollar to the breaking point. Credit having been broken down, the natural and usual result followed."

Representative Overstreet of Indiana, in discussing this subject in the House of Representatives, said: "The recent panic followed unusual and startling disclosures of fraud and mismanagement in some of the great insurance companies and other leading enterprises of the country. It followed the further disclosure of

unprincipled financiering, as illustrated in the Alton Railway deal and as practiced by speculative bankers of the type of the Heinze syndicate of banks in New York. Overspeculation, unwarranted extension of credits, and a disregard of honest methods in business transactions alarmed the country. These disclosures developed a lack of confidence and trust in men and not in business. With all these forces combined, the onslaught overthrew public confidence, money went into hiding, loans were called, factories were closed, and liquidation set in. It was impossible to foresee these conditions, and they came without warning and at a time when the business conditions of the country were at high tide."

Senator J. W. Bailey of Texas (Democrat) said, in discussing this subject in the Senate: "I have my opinion, and it is a very definite one, as to what produced the recent financial stringency. \* \* \* It was due immediately to the overuse of bank credits in the city of New York. It came when the country had the least reason to expect it. Our crops had been abundant and the price of almost every farm product was more than satisfactory. A recent statement made by the Secretary of Agriculture shows that the products of American farms last year exceeded in value any previous year in our history. There had been neither war nor pestilence, the balance of trade was largely in our favor, and there was absolutely no question as to the value of our money. I do not overlook the fact that it has been charged that the trouble was due to the persistent demand of the President of the United States for the enactment of new laws and the enforcement of old laws to regulate and control our railroads; but that charge has been made by men whose minds are heated with resentment, and it will not bear a close analysis. The President has demanded only that the railroads of this country should be required to deal justly with the people, and he has evinced no disposition to harass or to oppress them."

Hon. J. A. M. Adair of Indiana, in discussing this subject in a speech in the House of Representatives on January 23, 1908, said: "This panic came on us at a time of unprecedented prosperity. The products of the farm brought extremely high prices. The agriculturists were more prosperous than they had ever been before. Our great mills and manufacturing establishments were running day and night, with orders six months in advance; labor was universally employed; the banks throughout the country were bursting with deposits; our splendid railroad system was unable to handle the freight offered for transportation. \* \* \* With not a cloud in the sky, we were hurled into the chasm of one of the worst panics our nation ever experienced. The holders of watered stock were panic stricken; depositors were frightened lest they could not get their money. Banks and trust companies closed their doors in the face of their depositors; there was no money to handle the business of the country, and the people looked with suspicion on checks and drafts offered in payment of obligations. The manufacturing industries were unable to procure money to pay labor. Orders placed with our manufacturers were canceled, and this forced the factories to cancel orders for material. \* \* \* I do not believe our present financial crisis is due to our financial system, but to a lack of confidence in our business fabric, brought about by disclosures of dishonesty, corruption and crookedness in many of our great corporations."

M. Paul Leroy-Beaulieu, a distinguished French writer and economist, discussing the American crisis in the *Economiste Francaise*, says: "It is true that lack of currency elasticity may have helped on the troubles, but the principal cause of the crisis now raging in the United States and which has in a less degree touched Germany is the complete disregard of the well established rule of political economy, that capital limits industry. \* \* \* New enterprises had been started or old enterprises enlarged far beyond the sum total of available capital—that is, beyond the amount of capital actually produced by the savings of the whole civilized world. Reserves of capital have fallen short of the requirements of extravagant American demands. The industrial megalomania in the United States took no account of what was possible. It merely devoted itself to pushing up everything. The *debauch of extravagance* was particularly indulged by the *conducting companies* and by the great American railways. Con-

tracts were placed for the construction in the single year of 1907 of vast amounts of work, and the companies prepared for such excesses by issues of securities to a simply stupendous amount. The truth of the whole matter is that in this panic the United States is simply paying the penalty for its extravagant expansion at a time when credit conditions were merely nominal."

Mr. Seymour Bell, the British Commercial Agent in the United States, in a letter to the British Government, presented in Parliament and printed by the authority of that body, says:

"During the earlier months (of 1907) all industries were exceedingly busy and mills were working at their utmost capacity. Many unfilled orders had been carried over from the previous year, and buyers were experiencing great difficulty in getting delivery of their goods. The railway lines were congested, wages were at their highest, and the high price of commodities raised the price of living to an extreme point. Money was becoming scarce, and the railways and other corporations were encountering great difficulties in obtaining the capital necessary to carry on the improvements and extensions which were in process of being carried out. Speculation in mining and real estate had been rife and personal extravagance was at its height.

"The situation was peculiar. On the one hand there were the manufacturers with more orders than they could fill and busy enlarging their plants, merchants selling large quantities of goods at satisfactory prices, labor in such demand that even with the addition of the 1,200,000 immigrants it was necessary to employ inefficient workers at good wages. On the other hand, there was dear money, owing to scarcity.

"When, owing to a failure in New York, light was thrown on the management of some of the large financial concerns in the city, public confidence, which had previously been undermined by certain investigations, gave way completely, resulting in an acute money panic.

"The panic was entirely financial. It has, it is true, brought about a widespread suspension of trade and industry throughout the country, but there has been no throwing on the market of merchandise at ruinous prices. The manufacturers without delay proceeded to curtail the supply and thus reduce such chances as there might have been of glutting the market with unsalable articles. It must not be forgotten that the farmers, who form the backbone of American prosperity, have not been affected by the financial situation. A country that produces crops valued at nearly £1,500,000,000 (\$7,300,000,000) is unlikely to suffer long from industrial stagnation. Farmers have had nine years of almost uninterrupted prosperity, their buying power is high, and the towns dependent upon them will remain prosperous.

"The farmers who a few years ago owed money now own money, and have an assured outlet for their products, as there is no oversupply.

"The cloud of uncertainty is now passing away, and the worst of the storm has now passed. \* \* \* It is expected that before many months have passed business will be on a safer and more normal basis."

Hon. C. M. Depew, discussing this subject in the United States Senate, says: "A chain is no stronger than its weakest link, and the weak link in the recent situation was the trust companies, with their enormous deposits and limited reserves. There is no question about their soundness and their possession of a large surplus beyond all their obligations to their stockholders and depositors. Nevertheless, while doing a banking business, they were not equipped for a banking emergency. A run was started on the Knickerbocker Trust Company, whose stock was selling at twelve hundred dollars for a hundred-dollar share. The spectacle of millionaires jostling clerks and bank messengers in the rush to get to the window for their money before the cash was exhausted was illuminating. It showed that in a panic human nature works the same with rich and poor. \* \* \* Then Mr. Cortelyou came to the rescue and deposited available money in the national banks until the balance in the Treasury was down to about five millions. The action of the Government in placing \$240,000,000 with the banks, and this letter of the President, ringing like a clarion note of confidence in every office, workshop, store, farm-

house and dwelling of the country, together with the courageous action of the New York bankers and banks in importing gold and helping institutions assailed, stopped the panic and saved the country."

#### Secretary Cortelyou on the Banks.

The following are extracts from the response of the Secretary of the Treasury, Hon. George B. Cortelyou, to a resolution of the Senate of the United States calling for information regarding the operation of the Treasury during the panic period:

#### Extracts from Report of Secretary Cortelyou on Events of Panic.

In view of the importance of the subject and the wide discussion which has occurred in regard to it, it seems proper to summarize as briefly as possible the operations of the Treasury for the past year, and to follow this by a statement more in detail of the methods and reasons for some of the steps taken during the financial panic of 1907.

In March, 1907, business conditions were becoming unsettled, and there shortly developed a period of acute stringency in the money markets which called for prompt and effective measures. Various relief measures were taken, and while this stringency was quite promptly relieved, significant indications of still further financial disturbance were apparent, and the Department therefore kept in very close touch with the situation in all parts of the country.

It was decided in the latter part of August to make each week substantial deposits of public moneys in national banks, with a view to facilitating the movement of the crops in various sections of the country. The Treasury was at that time in good condition to render substantial aid in this direction. The nominal cash balance on July 31, 1907, was \$38,574,188. Of this amount \$156,990,204 was on deposit in national bank depositaries to the credit of the Treasurer of the United States or to the credit of disbursing offices. The net excess of cash above deposits stood, therefore, before this distribution, at about \$31,500,000, affording a considerable margin above the amount required for a convenient working balance.

Beginning on August 28, and continuing each week until October 14, this plan of weekly deposits was followed, a total of about \$28,000,000 being allotted to various banks. These banks were located in each of the 46 States, in the Territories, and in the District of Columbia. Every endeavor was made, from the information and requests at hand, so to distribute this fund that it would meet actual needs in sections where business activity was at the maximum and currency was most urgently required.

About the middle of October events occurred which indicated that a monetary stringency had arisen much more severe than that which experience has shown usually occurs in the autumn in connection with the movement of the crops. Rumors were current concerning many manufacturing establishments and others interested in large projects, who were embarrassed by inability to raise ready cash to continue their operations. In New York City this condition was brought to a head by the appeal of several national banks to the clearing house committee for aid, which was quickly followed by the suspension on October 22 of the Knickerbocker Trust Company, after the payment of about \$8,000,000 in cash to depositors. Almost immediately runs began upon two other large trust companies, deposits were reduced in many other institutions, money began to be hoarded by individuals, and on October 26 the New York banks decided to issue clearing house certificates.

Before the decision of the New York clearing house to issue clearing house certificates, the Treasury transferred to the national banks within a few days the sum of about \$35,000,000. These deposits, with the aid given to those banking institutions which were severely assailed by those which were less disturbed, tended to stay the panic which was otherwise imminent.

In order to meet the demand for currency by the institutions which were subjected to pressure, the Treasury Department forwarded to New York within three days about \$36,000,000 in small bills. While these were not in all cases used in making direct deposits of public moneys, they were available at the sub-treasury for any banking institution which desired to obtain them in exchange for bills of larger denomination or for coin. At a later date, gold coin was paid in many cases, at the request of certain institutions, because they found that payment of coin to depositors tended in a measure to discourage runs. It was not because the coin was preferred to notes; on the contrary, it was because depositors did not desire to be burdened with taking away the coin, and preferred notes of large denominations. It is, indeed, a source of gratification that at no period of the crisis was there the slightest suspicion of the integrity of the currency issued either by the Government or by national banks. The effect of the law of March 14, 1900, in creating an adequate gold reserve and providing necessary measures to replenish the reserve in case of need, so completely set at rest any distrust of the exchangeability of all forms of paper for gold that the subject was hardly mentioned anywhere, except as a cause of congratulation upon the effects of the gold standard act. The transfer of large amounts of gold from the Treasury to the banks made it necessary to run the mints at high pressure in order to comply with the requirements of the Act of March 14, 1900, that not more than \$50,000,000 of the legal gold reserve of \$150,000,000 should be kept in bullion. There was at no time any disposition to convert any form of Government paper into gold because of question as to safety of the paper, nor was there any disposition to gold certificates for redemption in gold coin.

While the action of the Department in placing large sums in the national banks in New York was subjected to some criticism, it was amply justified by the conditions as they then existed and as they have been disclosed in the light of subsequent events. Figures given further along will show that the national banks in New York did not retain in their own keeping the public moneys received, but were enabled through their extended relations, as to reserve depositaries with banks of all classes throughout the country, to employ these moneys to meet a large proportion of the calls made upon them.

An examination of the deposits made by the Treasury in the banks, from time to time, commencing in the middle of October, will show that as the stringency progressed the Treasury gave relief in every important locality where assistance seemed to be required. Some of the more important deposits were as follows: Chicago, \$3,000,000; Pittsburg, \$1,500,000; Cincinnati, \$1,500,000; Minneapolis and St. Paul, \$500,000; and in many places in the South and West, the public revenues, which ordinarily would be remitted to the various sub-treasuries, and thus taken out of circulation, were allowed to accumulate in national bank depositaries.

After the spectacular events in New York, however, which culminated in runs upon three important trust companies, the demand for money became so intense that the banks in the large cities were obliged to issue clearing house certificates to use in place of currency in settling balances among themselves; and in many places outside of New York certificates of small denominations printed in a form for general circulation were largely used. Thus each city endeavored to avoid the shipment of currency, and to retain for its own use such cash as might still be within its control. It appears that in New York City alone clearing house certificates were issued in excess of \$100,000,000.

By the middle of November the Treasury had met the demand for relief to the extent that it had deposited with the banks all accumulated funds not needed for the immediate purposes of meeting Government expenditures, and had reduced the actual working balance to approximately \$5,000,000. To allow the balance to fall below that figure was not considered prudent, as much difficulty was experienced in bringing into the Treasury public moneys actually collected at sub-treasuries and other revenue offices. The public revenues also were falling off, owing in part to the scarcity of currency, which prevented the payment in the form required by law of internal revenue taxes and of duties on imports.

In the meantime, and as apparently no further deposits could safely be made from the diminished cash resources of the Treasury, national banks were notified that they would be permitted to substitute bonds suitable for savings bank investments for Government bonds which were held as security against public deposits. The purpose of this measure was to enable the banks to employ the Government bonds, which were thus released as security for additional banknote circulation, in conformity with law. To this offer the banks responded promptly, and as a result many millions of additional banknotes were taken out and were employed in meeting the currency famine.

As usual in emergencies, the difficulty of obtaining bonds, and other obstructions of detail, prevented the increase in circulation becoming effective to the full amount until some time after the need for it had passed. Just before the acute stage of the crisis, the national banknote circulation stood (on October 15) at \$607,118,742. While strenuous efforts were made, especially by some of the large banks in New York and Chicago, to comply with the expressed wishes of the Department and of the Comptroller of the Currency to increase circulation, the amount outstanding had risen on November 1 only to \$611,822,676, and on November 15 to \$631,344,943. The most important increase in the circulation took place after the announcement about to be referred to, of the Government issues of Panama bonds and one-year Treasury certificates, so that the circulation attained on December 1 the amount of \$656,218,196; on December 15, \$676,914,235; and finally, on December 31, \$690,130,895. By the latter date the urgent pressure for currency had practically ceased and yet notes continued to be issued in compliance with orders previously received, until the outstanding circulation on June 5, 1908, last, was \$698,511,588.

The fact that the national banks were exerting themselves to increase circulation, and that the Treasury by these new issues placed at their command means of doing so, undoubtedly had a moral effect which tended to check the panic and reduce the premium on currency. The banks were hampered, however, before the announcement of the new Government issues, by the rapid advance in the price of 2 per cent bonds. These bonds sold as high as 110, and even at this price the supply in the market obtainable by national banks was extremely limited in quantity.

It was with a view to relieving this situation, and counteracting the premium on currency, which was itself a stimulus to hoarding and which practically interrupted exchanges between different cities, that it was decided on November 17 to receive applications for subscriptions for \$50,000,000 in Panama Canal bonds, under the Act of June 28, 1902, and \$100,000,000 in 3 per cent certificates of indebtedness, under the Act of June 13, 1898. One of the direct effects of these issues was to afford to the banks the means of increasing their circulation. If the proceeds of these issues had been retained in entirety in the Treasury, the increase in bank circulation would have been offset by the amount paid by the banks for the bonds. By providing, however, for the transfer to the banks of a part of the purchase money as an addition to their holdings of public deposits at the time, a very considerable net increase in circulation became possible.

In order to afford this relief, the banks to which awards were made on Panama bonds were allowed to retain 90 per cent of the purchase price as a deposit, and those to which allotments were made of the one-year certificates were allowed to retain 75 per cent of the purchase price. Thus an inducement was offered for subscriptions to the new issues.



well as a means of increasing banknote circulation. It was the deliberate intent also that the offer was made more attractive in the case of the bonds than in the case of the certificates, after it became evident that the issue of the entire amount of the latter first proposed would not be required to restore confidence. Ultimately the results of these offers on the part of the Treasury were such that it was found necessary to issue only \$24,631,980 in the Panama bonds and \$15,436,500 in the certificates of indebtedness. Practically all of both classes of obligations, excepting \$91,820 in bonds, were used as the basis for increasing the banknote circulation or securing public deposits.

The Comptroller of the Currency refrained at the height of the panic from calling on the national banks for the report of condition usually required during November, but he issued such a call for reports of condition on December 3. The result of the call revealed what was expected in well-informed quarters—that much of the currency withdrawn from New York had been added to the reserves of interior banks, and that their position was exceptionally strong. The fact that the call had been made and the report submitted contributed another favorable factor to the situation immediately afterwards, by enabling the banks to release a part of this accumulated cash to meet the pressing needs of their clients, with the knowledge that they would probably be able fully to reinstate their reserves before another call was made by the Comptroller.

The announcement of the issues of new securities by the Treasury, accompanied by the publication of a letter by the President to the Secretary of the Treasury, marked in some degree the turning point of the panic. The deficit in the reserves of the New York clearing house banks which on November 16 was \$53,669,950, increased in the next week less than \$500,000, and in the following weeks turned rapidly downward, until the amount on December 28, 1907, was only \$20,170,350, and by January 18 had been converted into a surplus of \$22,635,475. The cash holdings of these banks, which had touched a minimum on November 23, 1907, of \$215,851,100, rose on January 18, 1908, to \$295,182,600. No further steps were considered necessary by the Treasury except to continue deposits of public moneys for a time where they were available, and early in December it became possible to replenish the cash in the Treasury by the withdrawal of about \$6,000,000 from national banks in New York City. The premium on currency did not wholly disappear until about the beginning of the new year, but remained only nominal during the latter part of December as the panic subsided and as the funds withdrawn from banks for hoarding were gradually restored.

So rapidly did the money market improve after the tide had once turned that the call made by the Department upon the banks early in December for the return of \$6,000,000 was followed on January 24 by another call for about \$10,000,000 from New York banks, and this was followed on February 25 by a call for about \$29,000,000, each bank having an available excess of \$50,000 or over being called upon for the payment of 25 per cent of its holdings of public money. Voluntary payments from New York, Philadelphia, Baltimore, and Boston, in the meantime had brought nearly 10 millions back into the Treasury. On April 28, 1908, a call was issued for the payment of approximately \$45,000,000, and this amount was overpaid by several hundred thousand dollars.

In Europe, also, conditions began to improve rapidly with the passing of the crisis in America. The percentage of the reserve at the Bank of England rose from 35.62 per cent on January 2, 1908, to 52.69 per cent on January 16, and the directors felt justified in reducing the official discount rate from 7 per cent to 6 per cent on January 2, and two weeks later (on January 16) to 5 per cent. The gold stock of the bank, which had been reduced on November 7 to £27,725,225, rose on January 2, 1908, to £33,543,666, and on January 16 to £35,791,425. The Imperial Bank of Germany, which had been under severe pressure, benefited by an increase in its cash by about \$20,000,000 in the single week of January 17, and a decrease in its note issue by \$43,875,000, and under these conditions felt justified in reducing its discount rate from 7½ to 6¼ per cent, and later (on January 25) to 6 per cent. The Bank of France also greatly increased its cash resources and reduced its discount rate early in the year.

The Secretary did not feel called upon at any stage of the crisis to interfere directly with the normal movement of gold between international markets. The movement of foreign exchange was very irregular in the early stages of the crisis, because of some demand for remittances to London in settlement for maturing finance bills and in payment for American securities which were being remitted by disturbed foreign holders to the United States. The sum of \$1,500,000 in gold was actually engaged for export to Germany on October 19, but was explained as being a special transaction.

After a short period of uncertainty, however, exchange turned strongly in favor of imports of gold into the United States, and by the end of October engagements of over \$24,000,000 were announced, which were eventually swelled during the next two months to more than \$100,000,000. None of this gold arrived until November, but the moral effect of the engagements was felt as soon as they were announced. The metal was distributed, chiefly through the channel of the New York clearing house banks, to threatened points throughout the country. It is a striking proof of the energy with which the banks of New York extended aid to those of other parts of the country that the national bank returns show a reduction in specie in the national banks of New York from \$173,221,007 on August 22, 1907, to \$147,974,918 on December 3, 1907. Thus, not only did the entire volume of gold imported between these two dates pass through New York to other places, except so far as a part was hoarded by individuals, but the New York banks gave up \$25,000,000 of their usual and normal reserves.

## Magnitude of the Crisis.

The justification for taking vigorous action to arrest panic is found in the remarkable figures of the disappearance of currency during the period of about six weeks from the suspension of the Knickerbocker Trust Company on October 22 until confidence was partially restored early in December. The amount of currency which disappeared from sight during this period, as nearly as can be ascertained from the national bank reports and other sources of information, was about \$298,000,000, as follows:

*Cash absorbed in United States during the panic.*

Reduction in cash in national banks, August 22 to December 3	\$40,838,786
Net imports of gold, November 1 to December 31.....	106,403,770
Increase in public deposits, August 22 to December 3.....	79,834,689
Increase in bank circulation, August 22 to December 3.....	49,856,524
Decrease in cash in State banks and Trust Companies of New York City, August 22 to December 19.....	19,191,700
Total.....	296,125,469

Of this great absorption of currency, amounting substantially to one-tenth of the entire estimated money in circulation in the United States, more than two-thirds of the burden fell upon New York. This was almost inevitable from the fact that New York is the financial distributing center of the country. The figures show that more than the entire net loss in national bank reserves fell upon the national banks of New York City. The national banks outside of New York City, in spite of heavy demands upon them, were able by the aid of New York to maintain an amount of cash actually larger by a small amount on December 3 than they held at the date of the previous report to the Comptroller on August 22, when conditions were relatively tranquil. The national banks of New York City not only met the demand for currency until their reserves were reduced \$54,103,600 below the legal limit, but in addition they imported and distributed \$95,000,000 in gold, and distributed also, in order to meet the demands of their depositors and banking correspondents, all of the money of the Government deposited with them. The result was that of the \$296,000,000 currency absorbed throughout the country, \$218,275,304 was provided by the banks of New York City. The amount thus disposed of by New York banks and trust companies is shown in the following table:

*Currency absorbed through New York banks.*

Reduction in cash in national banks, August 22 to December 3	\$41,692,312
Net imports of gold, November 1 to December 31.....	94,095,481
Increase in public deposits, August 22 to December 3.....	47,576,556
Increase in banknote circulation, August 22 to December 3.....	15,719,455
Reduction in cash in State banks and trust companies, August 22 to December 19.....	19,191,700
Total.....	218,275,304

The gravity of the situation was enhanced by the fact that the pressure upon the money market was not localized in the United States. The first engagements of gold were from London and were met by a prompt increase of the Bank of England discount rate from 4½ to 5½ per cent on October 31, which was followed on November 4 by an advance to 6 per cent, and on Thursday, November 7, to 7 per cent—the highest rates fixed at the bank since 1873. In Germany, also, severe pressure was felt and the bank rate, after having been first advanced, on October 29, from 5½ to 6½ per cent, was further advanced on November 8 to 7½ per cent—the highest rate charged by the Imperial Bank since its organization in 1873. The Bank of France, in spite of its immense holdings of gold, advanced its rate from 3¼ to 4 per cent for commercial discounts. So serious was the situation in London that aid was invoked from the Bank of France, and prudent American bankers felt it necessary to limit demands for gold upon London for fear that if they became excessive a commercial crisis would occur there which would intensify the danger of the general situation in all international markets. Arrangements for imports of gold into New York were made not only in Europe, but from the Argentine Republic, and Cuba, and the reaction of the American crisis upon Canada led to some importations into that country.

The energy with which the economic resources of the country were devoted to the relief of the situation is indicated by the manner in which exportation of merchandise was expedited by the railways and by dealers in foreign exchange. The figures of the movement of merchandise are among the most striking ever exhibited in the history of the country. They are briefly indicated in the following table:

*Foreign trade movement, August 1 to December 31, 1907.*

Month.	Imports of merchandise.	Exports of merchandise.	Excess of exports.
August.....	\$125,806,013	\$127,270,447	\$1,464,404
September.....	107,385,180	135,313,342	28,928,162
October.....	111,912,621	130,256,035	18,343,414
November.....	110,942,916	204,474,211	93,531,295
December.....	92,288,711	231,179,436	138,890,725



freight for export, it seemed inadvisable for the Secretary of the Treasury to take any step which would tend to counteract these efforts by withdrawing funds from the banks and thereby adding to the evils which it was his earnest desire to alleviate and bring to an end.

#### Allotment of the New Issue of Securities.

The character of the new issues of securities offered for subscription on the 19th of November last was such that it was anticipated that most of the subscriptions would come from national banks. The 2 per cent bonds afford such privileges to national banks as a basis of note circulation that there are strong inducements to the banks to outbid private investors, who would find in the bonds nothing more than the best form of security paying only 2 per cent per annum. It was expected—and this expectation was fulfilled—that the bonds would be used largely as a basis for additional banknote circulation and that such circulation would contribute its share to relieving the acute pressure for currency which existed throughout the country. Even if there had been no other justification for limiting subscriptions to national banks, this consideration—that the bonds would be used to meet the pressure for currency—would, in the opinion of the Department, have justified an absolute restriction of the awards to national banks.

The legal right of the Department to make allotments of the bonds and securities to such persons and banks and in such amounts as it might see fit can hardly be called in question, in view of the fact that reservations on these points were made when subscriptions were invited. Thus the circular offering the Panama bonds contained this distinct provision: "The Department also reserves the right to reject any or all bids, if deemed to be to the interests of the United States so to do."

Obviously, so far as the offer of securities was influenced by the desire to prevent distress in the money market, it would have failed of this purpose if the awards had been made, even to bona fide bidders, which would have resulted in large drafts upon the reserve money of the banks and would not have aided in drawing money from private hoards. After careful analysis of the bids received, the conclusion was reached by the Department that if bids were awarded to individuals in large sums it would have the tendency to cause still further withdrawals of money from the savings banks, which usually carry relatively small reserves in currency, and in case of heavy demands upon them would have been compelled to draw upon the national banks and trust companies. It was, therefore, decided in the case of the Panama bonds to make no awards to individuals in excess of \$10,000. It was also decided to accept the highest bids of national banks for the remainder of the issue, after these minimum allotments to individuals.

There was another consideration, however, which it was felt cast more or less suspicion on offers for the bonds coming from individuals. This was the fact that the low rate of interest paid upon the bonds and their obvious advantage to the national banks made it probable that individual offers would be made for speculative purposes—in other words, for the purpose of selling the right of subscription as promptly as possible to the banks. If there were any doubt of the correctness of this anticipation it was removed by the character and amounts of bids which were received. The total bids for the Panama Canal bonds amounted to \$2,220,604,580, or more than 44 times the amount offered. This fact, not heretofore made public, would have stamped the loan as an even more remarkable success than it was, if all these bids could have been regarded as made in good faith by responsible parties. Examination of the bids shows, however, that many of them were not only speculative in character, but that they were made in many cases for very large amounts by those who were personally irresponsible and incapable of having made even the smallest preliminary payment if such payment had been required. When the awards were made, therefore, the bonds were awarded without hesitation to national banks in those cases where the prices offered were 102½ or higher, and where the bid appeared in other respects to be made in good faith and with full capacity on the part of the bidder to execute his contract. The amount thus awarded to national banks was \$24,998,040.

The awards made to individuals were limited to those cases where the amounts subscribed for were for \$10,000 or less, because such bids had at least a prima facie appearance of good faith. Even upon this modest basis the payments made after the allotment of the bonds showed that a considerable portion of these small bids were speculative and more or less irresponsible. While the national banks to which awards were made actually took up and paid for \$24,478,860, and left unpaid for \$519,180, or only a little more than 2 per cent of the awards, the \$325,660 awarded to individuals were taken up and paid for only to the amount of \$153,120, and \$172,450, or considerably more than half, were not paid for and remain on the hands of the Treasurer. Even of the amount taken up and paid for, only \$91,820 were issued, in conformity with the instructions of the bidders, directly to them. In other cases, to the amount of \$61,800, directions were given to deliver the bonds to national banks, who made the actual payments. Hence, of the small amount awarded to individuals only about 28 per cent proved to be bids to obtain bonds for investment.

There was less margin for speculation in the case of the 3 per cent certificates, because their term of one year did not allow for any considerable premium without extinguishing the amount of the interest. They were issued at par, and this made them immediately available, as it was not necessary to secure bids as in the case of the Panama bonds. They therefore afforded a convenient means to the banks at once to increase their circulation. For this reason the Secretary of the Treasury thought proper to announce at an early date that offers from individuals would no longer be received. While a number of such offers had been received prior to this notice, it was ultimately decided to make no allotments except to national banks. This decision was dictated by two

considerations first the desire to stimulate the issue of banknote circulation for a period which would relieve the crisis; and, second, the fact that the announcement of the issue of the new securities had already to a large extent accomplished its intended purpose and had made it unnecessary to issue more than a fraction of the full amount. The issue of these securities was suspended therefore before the date first named for closing the receipt of subscriptions, the total amount of the subscriptions having reached \$83,959,500. The amount issued was only \$15,436,500. As all of these were registered and issued to national banks with the understanding that they should be used as a basis for increasing their circulation, or to secure public deposits, they are all on deposit with the Treasurer of the United States for these purposes. The statement of the Comptroller of the Currency, as of December 31, 1907, shows that \$14,944,500 were deposited to secure circulation and \$492,000 temporarily to secure deposits, pending the issue of circulation. The entire amount, \$15,436,500, is now deposited to secure circulation.

One advantage in the issue of the one-year certificates as a basis for circulation is that this circulation may be retired within one year. It is provided by the Act of March 4, 1907, that not more than \$9,000,000 of banknotes shall be retired in any one month, but this restriction does not apply to obligations called for redemption. As the 3 per cent certificates will at maturity, in November next, fall under the latter exemption, the notes based upon them can be retired without restriction as to amount if they are found unnecessary for the purposes of business. Moreover, in those cases where the Secretary has arranged by mutual agreement with the buyers that the certificates may be called and paid off within a less period than one year, it will be possible to contract the circulation, if it appears to be redundant, without even waiting for the expiration of the year from the issue of the certificates and without limitation as to amount.

While the awards of 2 per cent bonds were made primarily to the highest bidders among national banks, the effect of the awards was to distribute the bonds among banks in 40 of the 46 States of the Union. The one-year certificates were distributed less widely, because it was found practicable to limit the issue before the time originally set for ceasing to receive subscriptions. The certificates were taken, however, by institutions in at least 18 States in different parts of the Union.

It was properly pointed out in some quarters, when two issues were proposed, aggregating \$150,000,000, that they might tend to an inflation of the banknote circulation which would be disturbing if the demand for currency should be diminished by the cessation of business activity. It was in consideration of this factor that the Secretary felt justified in restricting the issues in both cases as soon as it appeared that their announcement had produced the desired effect upon public confidence. The issue of the Panama bonds would have been required in any case within a short time to meet the expenses of constructing the canal, and the Secretary of the Treasury can hardly be held responsible for the effect of such issues upon the volume of the banknote circulation, whatever may be his opinion as to the desirability of the inflation which might result. Practically, therefore, the responsibility resting upon him relates only to the \$15,436,500 in the one-year certificates and will terminate only at their maturity and redemption on November 30 of the current year. If currency is at that time redundant in amount and there is a tendency to the exportation of gold, the fact that at least this portion of the circulation might be retired by operation of law, unless secured by the deposit of other existing bonds for longer terms, may have a salutary effect upon the exchanges.

#### Distribution of Public Moneys.

Obviously when the pressure was focused, to the extent which has been set forth, on the financial center of the country, it seemed advisable to focus relief there also. The national banks of New York City held on August 22 only \$28,253,386 in deposits of public money, aside from certain balances of disbursing officers, or considerably less than 3 per cent of the national banking capital of the city. The United States deposits in national banks in all other places were about \$115,000,000, or more than 12 per cent of the national banking capital of the remainder of the country. It is plain, therefore, under the policy of recalling the public funds which was inaugurated in the spring, that the national banks of New York were not favored with any large proportion of public moneys, but, if any unintentional discrimination was shown, were treated less favorably than the banks of other sections of the country. Not a dollar of the public moneys has been deposited in the national banks of the country upon any other basis than that of the public interest. These funds have been deposited and distributed without regard to partisanship, and no individual or association of individuals, no city or state or section, has received any other than that fair and impartial consideration to which each is entitled.

While the Secretary of the Treasury felt compelled, in order to meet the exigencies of the situation, to increase deposits largely in the banks of New York City, even the proportion left in their custody after the panic had subsided was smaller than the proportion in certain other cities and States. The amount of public deposits December 7, 1907, in the entire country was \$222,352,252, which amounted to 15.3 per cent of national banking capital and surplus, amounting to \$1,451,296,366. While the banks of the State of New York appear as holders of public moneys to the amount of 26.8 per cent of their capital and surplus, the banks of the New England, Eastern, and Middle Western States taken as a whole and including New York, show a percentage of deposits to capital and surplus of only a little more than 15 per cent. The banks of the Southern, Western, and Pacific States, on the other hand, show a proportion of nearly 18 per cent. With the elimination of New York from the Eastern group, the percentage of the remaining Eastern and Middle Western States is only about 11.2.

Full details of this distribution of public funds, show that they are distributed among some 1,400 national banks. The chief object, of course, in distributing public funds is not to afford profit to banks as such, but to afford to the business community means for carrying on its transactions upon a normal basis of money supply and interest charges. It has not been thought necessary by the Department to extend the distribution of public funds to all small banks, but the aim has been to distribute them so widely in every part of the country that the benefit of the funds thus distributed would reach even the most remote quarters through the increased power of making loans and rediscounts given to the stronger banks of the locality.

It has been sought under the present administration of the Department to reduce the geographical distribution of the public funds as far as possible to an equitable basis. While one of the means of doing this has been to correct inequalities in the percentage of such distributions by States, and such corrections are still being made from time to time, it has not been felt that the sole and conclusive test of the wisdom of the distribution was the exact percentage of funds distributed. On the contrary, where particular trade movements were taking place involving a special demand for currency, larger deposits have been made than in communities where the supply of currency and capital appeared to be adequate to meet existing demands. The State of Louisiana, for instance, where the cotton movement of the Southwest is largely financed, held on December 7, deposits equal to 27.4 per cent of its national bank capital and surplus. The State of Texas, on the other hand, which has banking capital equal to about four times that of Louisiana, has received only 5.2 per cent of this amount in public moneys, because the resources of the local banks appeared to be equal to the local character of the expenditures involved in the movement of the cotton crop. It may be added, in the case of Texas and in some other States where the distribution of public funds was small, that the banks showed by the large reserves of cash which they held that they did not need Government assistance. Thus, the percentage of total reserve held against deposits was in Texas 25.72 per cent, and in Arkansas 29.82 per cent.

In the West, Wisconsin, which contains only one large commercial center, received deposits in the ratio of only 8.9 per cent of banking capital and surplus, while Indiana received 17.1 per cent. On the Pacific Coast, California received 22.2 per cent; the State of Washington 29.4 per cent, and Oregon 34.4 per cent. In New England on the other hand, where business is carried on less with borrowed capital than in some other sections of the Union, the average percentage of public deposits for the national banks of the entire section was only 8 per cent, and in Connecticut as low as 3.2 per cent. It would seem, therefore, that in spite of considerable differences in the distribution of public funds, it could hardly be asserted that the figures indicate any justifiable preference for one section of the country over another. If they do indicate such a preference, it is in favor of the West and South as against the Eastern States, where resources in addition to the normal commercial assets of the banks are less needed than elsewhere, except in New York, upon which centers the pressure from nearly the entire country.

The subject of the equitable distribution of these deposits is one to which the Treasury Department has given much attention. Bearing in mind the peculiar needs of different sections and the well-recognized movements of currency, it was intended so to distribute the weekly deposits which were begun in August as to remove the inequalities which might be found to exist in a manner so gradual as to prevent any sudden and violent disturbance to business in any locality. To formulate an intelligent policy and pursue proper methods in dealing with these deposits, a commission was appointed by the Secretary in April, 1907, consisting of the Treasurer of the United States, the Comptroller of the Currency, the Director of the Mint, the Chief of the Division of Loans and Currency, and the Chief of the Division of Public Moneys. Much progress has been made in the equitable distribution of these funds by gradually increasing the deposits where they were most needed, and it was the intention to deposit in several additional weekly installments, some of which had already been prepared, substantial amounts in certain of the larger cities, notably Chicago, St Louis, Philadelphia, Cincinnati and other points. This policy of gradual distribution was interrupted by the panic of October. It then became necessary to mass funds in large amounts where they would be most effective, and the figures already given show that from the financial centers they were distributed, almost automatically, to the points most seriously threatened.

One of the reasons for making deposits in large amounts in the national banks of New York and other important cities, aside from the great effectiveness of such deposits in financial centers, whence they would find their way to the points where the need was greatest, was the fact that these banks were able more promptly to obtain the bonds required as security. The emergency was too keen to assign deposits to banks which were not in possession of bonds or could not obtain them promptly, either by purchase or by borrowing from large financial institutions not engaged directly in the business of note issue or the payment of demand deposits.

An effort was made also to broaden the basis upon which public deposits might be made by extending the list of bonds acceptable to the Department. Up to about the 1st of October, State, railway, and municipal bonds were accepted at 90 per cent of their market value, when not above par, when such bonds came within the provisions of the laws of the States of New York and Massachusetts governing investments by savings banks. At about this time bonds coming within the provisions of these laws became very scarce. Banks were then informed that bonds would be acceptable which came within the laws of Connecticut and New Jersey thus making available many millions of bonds which were considered as good security.

The Department has exercised great caution in the acceptance of bonds as securities for deposits, and in nearly all cases where bonds were accepted which were not legal savings-bank bonds they were marketable

at a price equal to, and in some cases in excess of, that of savings-bank bonds. It was deemed wise, however, as they were not classed as savings-bank bonds, to accept them at a lower rate, namely, 75 per cent of their market value. In every case the Department has required an ample margin, and has every confidence in the soundness of the security it has accepted. It may be further stated that many of the bonds accepted by the Department, and this is especially so in the case of Government bonds, are selling above par, which gives additional margin, and in those cases where the market price was above par no bonds have been accepted beyond 90 per cent of their par value.

The net result of the Treasury operations under the present administration of the Department has not been to increase, the principal of the public debt, or the interest charges upon it, in spite of the recent issues of securities. On the contrary, the principal of the interest-bearing debt declined from \$920,099,510 on March 1, 1907, to \$897,503,990 on June 1, 1908. Interest charges stand at about \$2,544,000 less than in March, 1907.

The fact that there has been a net decrease in the principal of the debt is due to the redemption and payment of a considerable part of the 4 per cent funded loan of 1907, which by its terms was redeemable at the pleasure of the United States after July 1, 1907. Owing to the demand for money which arose in the spring of 1907, it was deemed advisable to anticipate the maturity of a part of these bonds by offering to pay the principal with interest to an amount not exceeding \$25,000,000. This offer, which was made by a circular issued by the Department March 14, 1907, resulted in redemptions between that date and June 24, of bonds to the amount of \$25,088,750.

In the meantime steps were taken to dispose of the remainder of the loan. Under the circular of April 2, 1907, inviting the surrender of \$50,000,000 in the maturing bonds in exchange for 2 per cent consols of 1930, there were received for refunding between that date and May 31 bonds to the amount of \$50,307,800. These measures left outstanding, subject to redemption, 4 per cent bonds to the amount of \$36,121,450. Most of these bonds were received for redemption and the interest-bearing debt was reduced by about \$36,000,000 during the month of July.

The reduction obtained by the two operations, redemption in advance of maturity and ultimate redemption after maturity, was about \$61,000,000. As the new issues of securities amounted on December 31 to \$24,088,040 in Panama Canal bonds and \$15,436,500 in certificates of indebtedness, making a combined sum of \$39,524,540, this increase of the debt fell about \$21,500,000 short of the reduction previously made.

Even more favorable is the showing in respect to annual interest charges. The redemption of about \$61,000,000 4 per cent bonds extinguished annual interest charges of \$2,440,000. The substitution of 2 per cent bonds for the remaining \$50,000,000 of the 4 per cent loan reduced the interest charges by about \$1,000,000 per annum. The total saving of about \$3,440,000 is offset by the interest on the new securities, which amounts to about \$482,000 upon the Panama bonds and about \$463,000 upon the 3 per cent certificates, making a total additional interest charge of about \$945,000. Offsetting this increase in charges against the reduction caused by the redemption and refunding of the 4 per cent loan there emerges a saving for the current year of nearly \$2,500,000.

As it has been shown that the issue of the Panama Canal bonds was a necessary incident to the construction of the canal and that substantially the only one possible criticism which could lie against the action of the Department was as to the exact date of the issue, it is fair to consider the interest payments upon the \$15,436,500 in one-year certificates as representing the only important obligation incurred by the Treasury Department in seeking to avert a financial disaster. The amount of interest upon these obligations will be about \$462,000 if they run to maturity, or a little more than half of a cent per capita. It seemed to the Secretary that the benefit to the country as a whole, including the inhabitants of its most remote parts, would more than compensate this expenditure. The amount of such interest payments, moreover, is likely to be still further reduced by arrangements which have been made with certain of the banks to surrender their certificates in advance of maturity with interest only to the date of such surrender.

Owing to various other readjustments, including the fact that a considerable sum in the old 4 per cent loan in 1900 had not been presented for redemption or conversion, the estimated annual interest charges on the debt, which was \$23,645,678 on March 1, 1907, stood on June 1, 1908, at \$21,101,197. As the one-year certificates are not likely to be renewed, disbursements of interest on their account will cease within a year, and if no further change occurs in the principal of the interest-bearing debt, the reduction made in the interest charges between March 14, 1907 and November 30, 1908, will be approximately \$3,000,000.

#### **Growth of Money in Circulation—The New Currency Law—The Treasury Department and the Money Panic.**

The net increase in the stock of money during the last four years has been \$587,631,922, consisting of gold, \$302,893,065; silver, \$40,680,905, and national bank notes, \$252,460,952, while there was a decrease of \$8,402,000 in Treasury notes in 1890.

The Treasury holdings of gold on June 30, 1908, amounted to \$1,001,666,550, against \$97,353,776 on January 31, 1895.

The increase in small denominations, \$10 and under, during the last four years has been \$314,337,811, showing that there is a marked increase in the demand for small bills to meet requirements of trade and commerce.

There has been much important legislation in currency matters to meet the demands of the business interests of the country, notable among which may be mentioned the following enactments, which were passed upon recommendation of the President in 1906: An increased supply of bills of small denominations; increase of the monthly limit of retirement of national bank notes from \$3,000,000 to \$9,000,000; authorizing the Secretary of the Treasury to receive other than United States bonds as security for public deposits, among which are State and municipal bonds and other securities that are acceptable as savings bank investments; the issue of \$10 gold certificates; amendment to the law of 1900, permitting the issuance of United States notes in denominations less than \$10—ones, twos, and fives.

**National Banks and Growth of National Banking since the Beginning of 1900.**

The act of March 14, 1900, entitled "An act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes," commonly known as the "Gold Standard Act," gave a strong impetus to the organization of national banks, by reason of the fact that authority was granted for the formation of national banking associations with capital of \$25,000, and added to the value of the note issuing franchise by permitting the issue of circulating notes to the par value of the United States bonds deposited as security therefor. From the date of the passage of that act to June 1, 1908, charters were granted to 3,889 associations, with authorized capital of \$228,198,300. By reason of liquidations, voluntary and otherwise, the net increase in number of banks was 3,193. Capital stock increased from \$616,308,095 to \$925,697,775, a net increase of \$309,389,680. Circulation outstanding increased during this period from \$254,402,730 to \$698,449,517, the net increase being \$444,046,787.

On February 13, 1900, the date of reports to the Comptroller of the Currency next previous to that of the passage of the gold standard act, there were in active operation 3,604 banks with aggregate resources of \$4,674,910,710, of which \$2,481,579,942 consisted of loans and discounts and \$476,544,315 of lawful money, that is, gold, silver, and legal tenders. The principal liabilities of the associations were as follows: Capital stock, \$613,084,465; surplus and undivided profits, \$363,872,959; circulation outstanding, \$204,912,544; individual deposits, \$2,481,847,032. On May 14, 1908, the date of the latest reports to the Comptroller of the Currency, the number of national banking associations in operation was 6,778, their loans and discounts \$4,528,346,875, specie and other lawful money \$861,326,450, and aggregate resources \$8,594,622,697. Capital stock paid in amounted to \$912,361,919, surplus and other undivided profits \$758,108,662, circulating notes outstanding \$614,088,723, and individual deposits \$4,312,656,789.

Comparing the condition of the banks on February 13, 1900, and May 14, 1908, there is shown to have been a net increase in number of associations of 3,174; in aggregate resources of \$3,919,711,984; in capital stock \$299,277,454; in surplus and other undivided profits \$394,235,698; in circulating notes \$409,176,177, and in individual deposits \$1,830,809,753. The percentages of increase were as follows: Number of banks, 88.07 per cent; aggregate resources, 83.85 per cent; capital stock, 48.82 per cent; circulation, 199.68 per cent; individual deposits, 73.77 per cent.

Classifying the returns by geographical divisions, the States in each division being shown in the accompanying table relating to the number and capital of national banks organized since March 14, 1900, it is noted that there has been an increase in the aggregate resources of banks in every section of the country. In the New England States the number of banks decreased from 565 to 485 and the capital in the sum of \$35,822,020; but the increase in surplus and undivided profits was \$17,163,010, in circulation \$16,390,368, and in individual deposits \$65,034,438.

The number of national banks in operation in the Eastern States on February 13, 1900, was 976, and on May 14, 1908, 1,495. This increase in number of banks was attended by an increase in capital stock to the extent of \$116,424,214; surplus and undivided



profits, \$187,694,952; circulating notes, \$133,265,042, and individual deposits, \$643,575,617.

In the Southern States the number of banks in operation increased over 150 per cent, or about 545, to 1,369, resulting in an increase in capital stock of \$72,831,910; in surplus and undivided profits, \$53,441,175; in circulating notes, \$76,760,030, and individual deposits of \$229,122,825.

The number of banks in the Middle Western States was nearly doubled, the increase being from 1,053 to 1,931, and an increase in capital stock of \$83,246,950; surplus and undivided profits, \$85,917,020; circulation, \$115,126,149, and in individual deposits, \$529,319,606.

The most notable increase in number of banks was in the Western States division, viz, 235 per cent, or about 346 to 1,161 banks. The increase in capital stock in this division was \$32,-385,700; in surplus and undivided profits, \$23,875,439; circulating notes, \$33,587,585, and individual deposits, \$191,855,710.

On February 13, 1900, there were in operation in the Pacific States 119 national banks, and on May 14, 1908, including five associations in the insular possessions, there were 336. The increase in capital in this division was \$30,210,700; in surplus and undivided profits, \$26,144,100; in circulation, \$34,047,002, and in individual deposits, \$168,901,555. The capital of the five banks in the insular possessions on May 14, 1908, was \$710,000; surplus and undivided profits, \$158,957; circulating notes outstanding, \$385,747, and individual deposits, \$1,134,176.

The number of national banks classified by capital stock, organized in each State and geographical division since March 14, 1900, together with the number and paid-in capital stock of national banks reporting to this office on May 14, 1908, are shown in the accompanying table:

*Summary, by States, geographical divisions, and classes, of national banks organized March 14, 1900, to May 31, 1908, and the number and capital of reporting national banks on May 14, 1908.*

States, etc.	Capital —\$50,000.		Capital \$50,000+.		Total organizations		Banks reporting on May 14, 1908.	
	No.	Capital.	No.	Capital.	No.	Capital.	No.	Capital.
Maine.....	3	\$75,000	5	\$285,000	8	\$360,000	77	\$1,201,000 00
New Hampshire.....	4	105,000	2	200,000	6	305,000	57	5,435,000 00
Vermont.....	5	125,000	1	100,000	6	225,000	51	5,710,000 00
Massachusetts.....	1	25,000	15	4,000,000	16	4,025,000	198	56,127,500 00
Rhode Island.....	—	—	1	500,000	1	500,000	22	6,700,250 00
Connecticut.....	3	75,000	4	200,000	7	275,000	80	20,230,050 00
<b>Tot. New England States.....</b>	<b>16</b>	<b>405,000</b>	<b>23</b>	<b>5,285,000</b>	<b>44</b>	<b>5,690,000</b>	<b>485</b>	<b>103,703,800 00</b>
<b>New York.....</b>	<b>74</b>	<b>1,892,500</b>	<b>74</b>	<b>14,070,000</b>	<b>148</b>	<b>15,962,500</b>	<b>420</b>	<b>158,657,320 00</b>
New Jersey.....	48	1,235,000	26	1,885,000	74	3,120,000	173	19,850,070 50
Pennsylvania.....	186	4,797,000	200	22,180,000	386	26,977,000	761	112,978,974 00
Delaware.....	8	220,000	—	—	8	220,000	26	2,323,985 00
Maryland.....	28	747,000	11	930,000	39	1,677,000	101	17,824,950 00
District of Columbia.....	—	—	3	850,000	3	850,000	11	5,202,000 00
<b>Total Eastern States.....</b>	<b>344</b>	<b>8,891,500</b>	<b>314</b>	<b>39,915,000</b>	<b>658</b>	<b>48,806,500</b>	<b>1,495</b>	<b>316,372,209 50</b>
<b>Virginia.....</b>	<b>45</b>	<b>1,206,000</b>	<b>27</b>	<b>2,700,000</b>	<b>72</b>	<b>3,906,000</b>	<b>105</b>	<b>12,601,000 00</b>
West Virginia.....	35	960,000	33	2,605,000	68	3,565,000	95	8,019,250 00
North Carolina.....	22	580,000	22	2,110,000	44	2,690,000	67	6,535,000 00
South Carolina.....	5	125,000	12	1,485,000	17	1,610,000	29	4,210,000 00
Georgia.....	36	1,020,000	37	3,550,000	73	4,570,000	96	10,400,490 00
Florida.....	10	275,000	19	3,450,000	29	3,725,000	39	4,691,350 00
Alabama.....	35	920,500	31	2,625,000	66	3,551,500	76	8,307,000 00
Mississippi.....	3	80,000	18	1,765,000	21	1,845,000	29	3,401,380 00
Louisiana.....	11	280,000	17	3,210,000	28	3,490,000	38	5,695,000 00
<b>Texas.....</b>	<b>284</b>	<b>7,611,000</b>	<b>118</b>	<b>10,550,000</b>	<b>402</b>	<b>18,191,000</b>	<b>529</b>	<b>40,163,000 00</b>
Idaho.....	15	375,000	21	1,770,000	36	2,145,000	40	3,950,000 00
Wyoming.....	59	1,310,000	26	3,615,000	75	4,925,000	146	16,370,900 00
Montana.....	26	675,000	20	1,750,000	46	2,425,000	82	9,515,000 00
<b>Northwestern States.....</b>	<b>579</b>	<b>15,486,500</b>	<b>401</b>	<b>41,275,000</b>	<b>980</b>	<b>56,761,500</b>	<b>1,369</b>	<b>136,899,870 00</b>

## Summary by States, etc., of national banks—Continued.

States, etc.	Capital —\$50,000		Capital \$50,000+		Total organizations		Banks reporting on May 14, 1908.	
	No.	Capital.	No.	Capital.	No.	Capital.	No.	Capital.
Ohio.....	167	2,768,000	76	11,225,000	180	13,993,000	364	60,349,100 00
Indiana.....	87	2,278,000	57	6,200,000	144	8,478,000	230	24,916,450 00
Illinois.....	147	3,793,500	69	11,335,000	215	15,128,500	407	56,043,500 00
Michigan.....	16	265,000	21	4,390,000	31	4,055,000	97	14,755,000 00
Wisconsin.....	3	950,000	23	2,950,000	60	3,900,000	128	15,740,000 00
Minnesota.....	17	4,571,000	24	3,250,000	203	7,821,000	261	20,666,000 00
Iowa.....	11	3,080,000	50	2,945,000	167	6,025,000	317	20,270,000 00
Missouri.....	47	1,160,000	27	7,485,000	70	8,615,000	119	30,455,000 00
Total Middle Western States.....	723	18,865,500	347	49,780,000	1,070	68,645,500	1,932	43,195,050 00
North Dakota.....	10	2,740,000	7	400,000	115	3,140,000	129	4,610,000 00
South Dakota.....	6	1,510,000	8	400,000	68	1,910,000	87	3,385,000 00
Nebraska.....	95	2,190,000	22	1,375,000	117	3,805,000	207	13,245,000 00
Kansas.....	87	2,185,000	28	2,050,000	113	4,235,000	206	12,142,500 00
Montana.....	1	375,000	7	610,000	21	985,000	39	3,705,000 00
Wyoming.....	10	250,000	10	550,000	20	800,000	30	1,610,000 00
Colorado.....	50	1,376,000	30	2,450,000	82	3,826,000	114	9,465,000 00
New Mexico.....	95	750,000	9	525,000	34	1,175,000	40	1,995,000 00
Oklahoma.....	273	7,000,000	39	2,705,000	312	9,705,000	309	12,212,700 00
Total West- ern States.....	722	18,576,000	160	11,065,000	882	29,641,000	1,161	62,370,200 00
Washington.....	22	555,000	19	1,445,000	41	2,000,000	58	7,482,200 00
Oregon.....	27	676,000	11	650,000	38	1,326,000	60	4,108,700 00
California.....	49	1,250,000	61	10,212,800	110	11,462,800	134	30,532,800 00
Idaho.....	23	580,000	10	607,000	33	1,180,000	37	1,855,000 00
Utah.....	7	180,000	3	275,000	10	455,000	19	2,155,000 00
Nevada.....	1	25,000	7	1,125,000	8	1,150,000	9	1,707,000 00
Arizona.....	5	130,000	4	200,000	9	330,000	12	705,000 00
Alaska.....			1	50,000	1	50,000	2	100,000 00
Total Pacific States.....	134	3,396,000	116	14,557,800	250	17,953,800	331	48,645,700 00
Hawaii.....	2	50,000	2	550,000	4	600,000	4	610,000 00
Po. to Rico.....			1	100,000	1	100,000	1	100,000 00
Total Island Possessions.....	2	50,000	3	650,000	5	700,000	5	710,000 00
Total United States.....	1,520	35,670,500	1,369	162,527,800	3,889	228,198,300	6,778	912,361,919 59

## THE CURRENCY LAW.

From the opening of the first session of the Sixtieth Congress it was agreed by all Republicans that an honest attempt should be made to enact into law a Currency bill which should provide for any future emergency and prevent a repetition of a panic such as we had last fall. Early in the session the Republicans reported a bill known as the Vreeland bill and it passed the House by a good majority. During its consideration the Republicans gave the Democrats an opportunity to vote upon the so-called Williams bill, which had had the approval of Mr. Bryan, but the Democrats refused to vote even for their own bill, and persisted in a useless filibuster, but could not prevent the passage of the Republican bill.

In the Senate the so-called Aldrich bill was passed and conference committees were appointed in both houses. It was found, however, that the House would not accept the Aldrich bill, and that the Senate would not accept the Vreeland bill, and it was not until the end of the session that a so-called conference bill was agreed upon by the Conference Committee of both Houses. This bill was introduced into the House on May 27th, and passed by a vote of 166 to 140, the Republicans voting in the affirmative and the Democrats in the negative. The same conference bill was introduced the following day in the Senate and passed

that body on Saturday, May 30th, after a filibuster had been attempted against the bill by the Democrats.

In speaking upon the measure during its consideration in the House Representative Burton, of Ohio, said:

Mr. Speaker, the incompetency of the Democratic party to rule this people was never more emphatically displayed than by their course on this currency legislation. Last autumn there was a frightful panic. The mightiest financial institutions tottered as if they would fall, and wheels of commerce and industry were clogged, hundreds of thousand were thrown out of employment and much of the cause of this distressful condition was the rigidity and insufficiency of our currency system.

The Republicans of this House came here determined, in spite of barren theories, in spite of selfish interests, and against the solid opposition of the Democratic party, to do something for this country, so that such a calamity might not occur again. [Applause on the Republican side.]

If you gentlemen had been in power and had gone home, having done nothing, you might better have called on the rocks and the hills to fall on you because of your inability to take care of this most urgent problem. And yet you fill the air with cries that this measure is prompted only by political emergency, that it is partisan. Gentlemen, if there is any question which should be approached dispassionately, if there is any question wherein we should seek to grasp the real situation and solve it, it is this which relates to the money supply of the country.

But this bill throws open to any national bank of the country the opportunity to become a member of an association of banks, each of which may issue currency upon its resources—that is, upon commercial paper or securities approved by the association.

There must be at least ten banks associated, having a capital and surplus of not less than \$5,000,000. But if any single banking association having public bonds wishes to issue currency under the method embodied in the Aldrich bill, it may do so.

On this side we have had the courage to bring forward a measure for the relief of the country and to meet the fear of panic and distress; on the other side you have fled from your own measure. And now you accuse others because they introduce a bill for the purpose of meeting the existing situation, containing a principle to which even you cannot make objection.

The provisions of the bill agreed upon may not be permanent. We have placed a time limit upon them to satisfy that potent public opinion which believes that we ought to have an entire reorganization of our whole banking system. Some, no doubt, will maintain that these provisions will work so well that no such readjustment will be required. At any rate, we are advocating the passage of a law which has in it no element of danger. No bank note can be issued which will not be good anywhere on the globe. The tax is so high that there can be no danger of any inflation. The redemption fund of 10 per cent substituted for the reserve provision in the House bill is, I believe, an improvement. And with this on the Statute books the ship of commerce may go out into the most stormy sea with the hope that, though tempests may come, she will weather them all, and weather them in safety. [Prolonged applause on the Republican side.]

The bill as it became a law is as follows:

### THE NEW CURRENCY LAW.

#### An Act to Amend the National Banking Laws.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That national banking associations, each having an unimpaired capital and a surplus of not less than twenty per centum, not less than ten in number, having an aggregate capital and surplus of at least five millions of dollars, may form voluntary associations to be designated as national currency associations. The banks uniting to form such association shall, by their presidents or vice-presidents, acting under authority from the board of directors, make and file with the Secretary of the Treasury a certificate setting forth the names of the banks composing the association, the principal place of business of the association, and the name of the association, which name shall be subject to the approval of the Secretary of the Treasury. Upon the filing of such certificate the associated banks therein named shall become a body corporate, and by the name so designated and approved may sue and be sued and exercise the powers of a body corporate for the purposes hereinafter mentioned: *Provided,* That not more than one such national currency association shall be formed in any city: *Provided, further,* That the several members of such national currency association shall be taken, as nearly as conveniently may be, from a territory composed of a State or part of a State, or contiguous parts of one or more States: *And provided further,* That any national bank in such city or territory, having the qualifications herein prescribed for membership in such national currency association, shall, upon its application to and upon the approval of the Secretary of the Treasury, be admitted to membership in a national currency association for that city or territory, and upon such admission shall be deemed and held a part of the body corporate, and as such entitled to all the rights and privileges and subject to all the liabilities of an original member: *And provided further,* That each national currency association shall be composed exclusively of banks not members of any other national currency association.

*The dissolution, voluntary or otherwise, of any bank in such association shall not affect the corporate existence of the association unless*

there shall then remain less than the minimum number of ten banks: *Provided, however,* That the reduction of the number of said banks below the minimum of ten shall not affect the existence of the corporation with respect to the assertion of all rights in favor of or against such association. The affairs of the association shall be managed by a board consisting of one representative from each bank. By-laws for the government of the association shall be made by the board, subject to the approval of the Secretary of the Treasury. A president, vice-president, secretary, treasurer, and an executive committee of not less than five members, shall be elected to the board. The powers of such board, except in the election of officers and making of by-laws, may be exercised through its executive committee.

The national currency association herein provided for shall have and exercise any and all powers necessary to carry out the purposes of this section, namely, to render available, under the direction and control of the Secretary of the Treasury, as a basis for additional circulation, any securities, including commercial paper, held by a national banking association. For the purpose of obtaining such additional circulation, any bank belonging to any national banking association, having circulating notes outstanding secured by the deposit of bonds of the United States to an amount not less than forty per centum of its capital stock, and which has its capital unimpaired and a surplus of not less than twenty per centum, may deposit with and transfer to the association, in trust for the United States, for the purpose hereinafter provided, such of the securities above mentioned as may be satisfactory to the board of the association. The officers of the association may thereupon, in behalf of such bank, make application to the Comptroller of the Currency for an issue of additional circulating notes to an amount not exceeding seventy-five per centum of the cash value of the securities or commercial paper so deposited. The Comptroller of the Currency shall immediately transmit such application to the Secretary of the Treasury with such recommendation as he thinks proper, and if, in the judgment of the Secretary of the Treasury, business conditions in the locality demand additional circulation, and if he be satisfied with the character and value of the securities proposed and that a lien in favor of the United States on the securities so deposited and on the assets of the banks composing the association will be amply sufficient for the protection of the United States, he may direct an issue of additional circulating notes to the association, on behalf of such bank, to an amount in his discretion, not, however, exceeding seventy-five per centum of the cash value of the securities so deposited: *Provided,* That upon the deposit of any of the State, city, town, county, or other municipal bonds, of a character described in section three of this Act, circulating notes may be issued to the extent of not exceeding ninety per centum of the market value of such bonds so deposited: *And provided further,* That no national banking association shall be authorized in any event to issue circulating notes based on commercial paper in excess of thirty per centum of its unimpaired capital and surplus. The term "commercial paper" shall be held to include only notes representing actual commercial transactions, which when accepted by the association shall bear the names of at least two responsible parties and have not exceeding four months to run.

The banks and the assets of all banks belonging to the association shall be jointly and severally liable to the United States for the redemption of such additional circulation; and to secure such liability the lien created by section fifty-two hundred and thirty of the Revised Statutes shall extend to and cover the assets of all banks belonging to the association, and to the securities deposited by the banks with the association pursuant to the provisions of this Act; but as between the several banks composing such association each bank shall be liable only in the proportion that its capital and surplus bears to the aggregate capital and surplus of all such banks. The association may, at any time, require of any of its constituent banks a deposit of additional securities or commercial paper, or an exchange of the securities already on deposit, to secure such additional circulation; and in case of the failure of such bank to make such deposit or exchange the association may, after ten days' notice to the bank, sell the securities and paper already in its hands at public sale, and deposit the proceeds with the Treasurer of the United States as a fund for the redemption of such additional circulation. If such fund be insufficient for that purpose, the association may recover from the bank the amount of the deficiency by suit in the Circuit Court of the United States, and shall have the benefit of the lien hereinbefore provided for in favor of the United States upon the assets of such bank. The association or the Secretary of the Treasury may permit or require the withdrawal of any such securities or commercial paper and the substitution of other securities or commercial paper of equal value therefor.

SEC. 2. That whenever any bank belonging to a national currency association shall fail to preserve or make good its redemption fund in the Treasury of the United States, required by section three of the Act of June twentieth, eighteen hundred and seventy-four, chapter three hundred and forty-three, and the provisions of this Act, the Treasurer of the United States shall notify such national currency association to make good such redemption fund, and upon the failure of such national currency association to make good such fund, the Treasurer of the United States may, in his discretion, apply so much of the redemption fund belonging to the other banks composing such national currency association as may be necessary for that purpose; and such national currency association may, after five days' notice to such bank, proceed to sell at public sale the securities so deposited by such bank with the association pursuant to the provisions of section one of this Act, and deposit the proceeds with the Treasurer of the United States as a fund for the redemption of the additional circulation taken out by such bank under this Act.

SEC. 3. That any national banking association which has circulating notes outstanding, secured by the deposit of United States bonds, to a

amount of not less than forty per centum of its capital stock, and which has a surplus of not less than twenty per centum, may make application to the Comptroller of the Currency for authority to issue additional circulating notes to be secured by the deposit of bonds other than bonds of the United States. The Comptroller of the Currency shall transmit immediately the application, with his recommendation, to the Secretary of the Treasury, who shall, if in his judgment business conditions in the locality demand additional circulation, approve the same, and shall determine the time of issue and fix the amount, within the limitations herein imposed, of the additional circulating notes to be issued. Whenever after receiving notice of such approval any such association shall deposit with the Treasurer or any Assistant Treasurer of the United States such of the bonds described in this section as shall be approved in character and amount by the Treasurer of the United States and the Secretary of the Treasury, it shall be entitled to receive, upon the order of the Comptroller of the Currency, circulating notes in blank, registered and countersigned as approved by law, not exceeding in amount ninety per centum of the market value, but not in excess of the par value of any bonds so deposited such market value to be ascertained and determined under the direction of the Secretary of the Treasury.

The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall accept as security for the additional circulating notes provided for in this section, bonds or other interest-bearing obligations of any State of the United States, or any legally authorized bonds issued by any city, town, county, or other legally constituted municipality or district in the United States which has been in existence for a period of ten years, and which for a period of ten years previous to such deposit has not defaulted in the payment of any part of either principal or interest of any funded debt authorized to be contracted by it, and whose net funded indebtedness does not exceed ten per centum of the valuation of its taxable property, to be ascertained by the last preceding valuation of property for the assessment of taxes. The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall accept, for the purposes of this section, securities herein enumerated in such proportions as he may from time to time determine, and he may with such approval at any time require the deposit of additional securities, or require any association to change the character of the securities already on deposit.

Sec. 4. That the legal title of all bonds, whether coupon or registered, deposited to secure circulating notes issued in accordance with the terms of section three of this Act, shall be transferred to the Treasurer of the United States in trust for the association depositing them, under regulations to be prescribed by the Secretary of the Treasury. A receipt shall be given to the association by the Treasurer or any Assistant Treasurer of the United States, stating that such bond is held in trust for the association on whose behalf the transfer is made, and as security for the redemption and payment of any circulating notes that have been or may be delivered to such association. No assignment or transfer of any such bond by the Treasurer shall be deemed valid unless countersigned by the Comptroller of the Currency. The provisions of sections fifty-one hundred and sixty-three, fifty-one hundred and sixty-four, fifty-one hundred and sixty-five, fifty-one hundred and sixty-six, and fifty-one hundred and sixty-seven, and sections fifty-two hundred and twenty-four to fifty-two hundred and thirty-four, inclusive, of the Revised Statutes respecting United States bonds deposited to secure circulating notes shall, except as herein modified, be applicable to all bonds deposited under the terms of section three of this Act.

Sec. 5. That the additional circulating notes issued under this Act shall be used, held, and treated in the same way as circulating notes of national banking associations heretofore issued and secured by a deposit of United States bonds, and shall be subject to all the provisions of law affecting such notes except as herein expressly modified: *Provided*, That the total amount of circulating notes outstanding of any national banking association, including notes secured by United States bonds as now provided by law, and notes secured otherwise than by deposit of such bonds, shall not at any time exceed the amount of its unimpaired capital and surplus: *And provided further*, That there shall not be outstanding at any time circulating notes issued under the provisions of this Act to an amount of more than five hundred millions of dollars.

Sec. 6. That whenever and so long as any national banking association has outstanding any of the additional circulating notes authorized to be issued by the provisions of this Act it shall keep on deposit in the Treasury of the United States, in addition to the redemption fund required by section three of the Act of June twentieth, eighteen hundred and seventy-four, an additional sum equal to five per centum of such additional circulation at any time outstanding, such additional five per centum to be treated, held, and used in all respects in the same manner as the original redemption fund provided for by said section three of the Act of June twentieth, eighteen hundred and seventy-four.

Sec. 7. In order that the distribution of notes to be issued under the provisions of this Act shall be made as equitable as practicable between the various sections of the country, the Secretary of the Treasury shall not approve applications from associations in any State in excess of the amount to which such State would be entitled of the additional notes authorized on the basis of the proportion which the unimpaired capital and surplus of the national banking associations in such State bears to the total amount of unimpaired capital and surplus of the national banking associations of the United States: *Provided, however*, That in applications for associations in any State shall not be equal to which the associations of such State would be entitled to the method of distribution, the Secretary of the Treasury may, in order to meet an emergency, assign the amount not thus apportioned to any applying association or associations in States in the same country.



SEC. 8. That it, shall be the duty of the Secretary of the Treasury to obtain information with reference to the value and character of the securities authorized to be accepted under the provisions of this Act, and he shall from time to time furnish information to national banking associations as to such securities as would be acceptable under the provisions of this Act.

SEC. 9. That section fifty-two hundred and fourteen of the Revised Statutes, as amended, be further amended to read as follows:

"SEC. 5214. National banking associations having on deposit bonds of the United States, bearing interest at the rate of two per centum per annum, including the bonds issued for the construction of the Panama Canal, under the provisions of section eight of 'An Act to provide for the construction of a canal connecting the waters of the Atlantic and Pacific oceans,' approved June twenty-eighth, nineteen hundred and two, to secure its circulating notes, shall pay to the Treasurer of the United States, in the months of January and July, a tax of one-fourth of one per centum each half year upon the average amount of such notes in circulation as are based upon the deposit of such bonds; and such associations having on deposit bonds of the United States bearing interest at a rate higher than two per centum per annum shall pay a tax of one-half of one per centum each half year upon the average amount of its notes in circulation as are based upon the deposit of such bonds. National banking associations having circulating notes secured otherwise than by bonds of the United States shall pay for the first month a tax at the rate of five per centum per annum upon the average amount of such of their notes in circulation as are based upon the deposit of such securities, and afterwards an additional tax of one per centum per annum for each month until a tax of ten per centum per annum is reached, and thereafter such tax of ten per centum per annum, upon the average amount of such notes. Every national banking association having outstanding circulating notes secured by a deposit of other securities than United States bonds shall make monthly returns, under oath of its president or cashier, to the Treasurer of the United States, in such form as the Treasurer may prescribe, of the average monthly amount of its notes so secured in circulation; and it shall be the duty of the Comptroller of the Currency to cause such reports of notes in circulation to be verified by examination of the banks' records. The taxes received on circulating notes secured otherwise than by bonds of the United States shall be paid into the Division of Redemption of the Treasury and credited and added to the reserve fund held for the redemption of United States and other notes."

SEC. 10. That section nine of the Act approved July twelfth, eighteen hundred and eighty-two, as amended by the Act approved March fourth, nineteen hundred and seven, be further amended to read as follows:

"SEC. 9. That any national banking association desiring to withdraw its circulating notes, secured by deposit of United States bonds in the manner provided in section four of the Act approved June twentieth, eighteen hundred and seventy-four, is hereby authorized for that purpose to deposit lawful money with the Treasurer of the United States and, with the consent of the Comptroller of the Currency and the approval of the Secretary of the Treasury, to withdraw a proportionate amount of bonds held as security for its circulating notes in the order of such deposits: *Provided*, That not more than nine millions of dollars of lawful money shall be so deposited during any calendar month for this purpose.

"Any national banking association desiring to withdraw any of its circulating notes, secured by the deposit of securities other than bonds of the United States, may make such withdrawal at any time in like manner and effect by the deposit of lawful money or national bank notes with the Treasurer of the United States, and upon such deposit a proportionate share of the securities so deposited may be withdrawn: *Provided*, That the deposits under this section to retire notes secured by the deposit of securities other than bonds of the United States shall not be covered into the Treasury, as required by section six of an Act entitled 'An Act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes,' approved July fourteenth, eighteen hundred and ninety, but shall be retained in the Treasury for the purpose of redeeming the notes of the bank making such deposit."

SEC. 11. That section fifty-one hundred and seventy-two of the Revised Statutes be, and the same is hereby amended to read as follows:

"SEC. 5172. In order to furnish suitable notes for circulation, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and shall have printed therefrom, and numbered, such quantity of circulating notes, in blank, of the denominations of five dollars, ten dollars, twenty dollars, fifty dollars, one hundred dollars, five hundred dollars, one thousand dollars, and ten thousand dollars, as may be required to supply the associations entitled to receive the same. Such notes shall state upon their face that they are secured by United States bonds or other securities, certified by the written or engraved signatures of the Treasurer and Register and by the imprint of the seal of the Treasury. They shall also express upon their face the promise of the association receiving the same to pay on demand, attested by the signature of the president or vice-president and cashier. The Comptroller of the Currency, acting under the direction of the Secretary of the Treasury, shall as soon as practicable, cause to be prepared circulating notes in blank, registered and countersigned, as provided by law, to an amount equal to fifty per centum of the capital stock of each national banking association; such notes to be deposited in the Treasury or in the sub-treasury of the United States nearest the place of business of each association, and to be held for such association, subject to the order of the Comptroller of the Currency, for their delivery as provided by law: *Provided*, That the Comptroller of the Currency may issue national bank notes of the present form until plates can be prepared and circulating notes issued as above

provided: *Provided, however,* That in no event shall bank notes of the present form be issued to any bank as additional circulation provided for by this Act."

SEC. 12. That circulating notes of national banking associations, when presented to the Treasury for redemption, as provided in section three of the Act approved June twentieth, eighteen hundred and seventy-four, shall be redeemed in lawful money of the United States.

SEC. 13. That all acts and orders of the Comptroller of the Currency and the Treasurer of the United States authorized by this Act shall have the approval of the Secretary of the Treasury, who shall have power, also, to make any such rules and regulations and exercise such control over the organization and management of national currency associations as may be necessary to carry out the purposes of this Act.

SEC. 14. That the provisions of section fifty-one hundred and ninety-one of the Revised Statutes, with reference to the reserves of national banking associations, shall not apply to deposits of public moneys by the United States in designated depositories.

SEC. 15. That all national banking associations designated as regular depositories of public money shall pay upon all special and additional deposits made by the Secretary of the Treasury in such depositories, and all such associations designated as temporary depositories of public money, shall pay upon all sums of money deposited in such associations interest at such rate as the Secretary of the Treasury may prescribe, not less, however, than one per centum per annum upon the average monthly amount of such deposits: *Provided, however,* That nothing contained in this Act shall be construed to change or modify the obligation of any association or any of its officers for the safe-keeping of public money: *Provided, further,* That the rate of interest charged upon such deposits shall be equal and uniform throughout the United States.

SEC. 16. That a sum sufficient to carry out the purposes of the preceding sections of this Act is hereby appropriated out of any money in the Treasury not otherwise appropriated.

SEC. 17. That a Commission is hereby created, to be called the "National Monetary Commission," to be composed of nine members of the Senate, to be appointed by the Presiding Officer thereof, and nine members of the House of Representatives, to be appointed by the Speaker thereof; and any vacancy on the Commission shall be filled in the same manner as the original appointment.

SEC. 18. That it shall be the duty of this Commission to inquire into, and report to Congress at the earliest date practicable, what changes are necessary or desirable in the monetary system of the United States or in the laws relating to banking and currency, and for this purpose they are authorized to sit during the sessions or recess of Congress, at such times and places as they may deem desirable, to send for persons and papers, to administer oaths, to summon and compel the attendance of witnesses, and to employ a disbursing officer and such secretaries, experts, stenographers, messengers, and other assistants as shall be necessary to carry out the purposes for which said Commission was created. The Commission shall have the power, through sub-committee or otherwise, to examine witnesses and to make such investigations and examinations, in this or other countries, of the subjects committed to their charge as they shall deem necessary.

SEC. 19. That a sum sufficient to carry out the purposes of sections seventeen and eighteen of this Act, and to pay the necessary expenses of the Commission and its members, is hereby appropriated out of any money in the Treasury not otherwise appropriated. Said appropriation shall be immediately available and shall be paid out on the audit and order of the chairman or acting chairman of said Commission, which order and audit shall be conclusive and binding upon all Departments as to the correctness of the accounts of such Commission.

SEC. 20. That this Act shall expire by limitation on the thirtieth day of June, nineteen hundred and fourteen.

Approved May 30, 1908.

### THE CURRENCY LAW.

**Its Provisions Outlined by an Accepted and Unprejudiced Authority.**

[From "Bradstreets," May 30, 1908.]

The bill is, as was to be expected, a compromise measure, in which the conferees have combined as far as possible the features of the Aldrich and Vreeland bills. It empowers national banking associations, each having an unimpaired capital and a surplus of not less than 20 per cent, not less than ten in number, and having an aggregate capital and surplus of not less than \$100,000, to form voluntary associations to be designated as national Currency Associations. The banks uniting to form such associations are required through their officers to file with the Secretary of the Treasury certificates setting forth the names of the banks composing them and their principal places of business, whereupon the associated banks



named in each certificate are to become a body corporate, entitled to sue and be sued and to exercise the powers of a body corporate for the purpose of the bill. Not more than one such association is to be formed in any city; the members thereof are to be taken as nearly as conveniently may be from a territory composed of a state or part of a state or contiguous parts of one or more states, and no member of one national currency association is to be a member of another, but any national bank within the territory of an association having the requisite qualifications is entitled to become a member thereof. The affairs of each association are to be managed by a board consisting of one representative from each bank.

In order to obtain additional circulation, any bank belonging to a national currency association having circulating notes outstanding secured by the deposit of United States bonds to an amount not less than 40 per cent of its capital stock, and which has its capital unimpaired and a surplus of not less than 20 per cent, may deposit with and transfer to the association in trust for the United States such securities held by it, including commercial paper, as may be satisfactory to the board of the association, whose officers may thereupon in behalf of such bank apply to the Comptroller of the Currency for an issue of additional circulating notes, not exceeding 75 per cent of the cash value of the securities or commercial paper so deposited. The application is to be immediately transmitted by the Comptroller with such recommendation as he shall think proper to the Secretary of the Treasury, who may direct an issue of additional notes to the association on behalf of the applying bank to an amount in his discretion not exceeding 75 per cent of the cash value of the securities deposited, provided that in his judgment business conditions in the locality demand additional circulation; that he is satisfied with the character and value of the securities proposed, and that a lien in favor of the United States on the securities deposited and on the assets of the banks composing the association will be amply sufficient to protect the government. Upon the deposit of state, county, or municipal bonds, circulating notes may be issued to not exceeding 90 per cent of the market value thereof, but no national bank is to be authorized in any event to issue circulating notes based on commercial paper in excess of 30 per cent of its unimpaired capital and surplus. The term "commercial paper," as used in the bill, is defined to include only notes representing actual commercial transactions, which when accepted by the association shall bear the names of at least two responsible parties and have not exceeding four months to run.

As a means of additional security for the notes issued under the bill, it is provided that the banks and the assets of all banks belonging to the association to whom they are issued shall be jointly and severally liable for the redemption thereof, and the lien created by section 5230 of the Revised Statutes is extended to cover the assets of all banks belonging to the association and the securities deposited by the banks with the association, though as between the several banks composing such association each bank will be liable only in the proportion that its aggregate capital and surplus bear to the aggregate capital and surplus of all such banks. Associations may at any time require from any of their constituent banks a deposit of additional securities or commercial paper or an exchange of securities already on deposit, and in case of the failure of a bank to meet such requirement may, after ten days' notice to the bank, sell the securities and paper already in their hands at public sale and deposit the proceeds with the Treasurer of the United States as a fund for the redemption of the additional circulation, or in case of the insufficiency thereof may recover the amount of the deficiency by suit. In the event of any bank failing to preserve or make good its redemption fund, the national currency association of which it is a member may be notified to do so, and in the event of its failure the Treasurer of the United States is authorized to apply so much of the redemption fund of the other banks composing the association as may be necessary for the purpose.

As already intimated above, bonds other than those of the United States may be accepted as security for additional cir-



ulation. With the approval of the Secretary of the Treasury, the Treasurer of the United States is to accept for that purpose bonds or other interest-bearing obligations of any state of the United States, or any legally authorized bonds issued by any city, town, county or other legally constituted municipality or district in the United States which has been in existence for a period of ten years, and which for a period of ten years previous to the deposit thereof has not defaulted in the payment of any part of either principal or interest of any funded debt authorized to be contracted by it, and whose net founded indebtedness does not exceed 10 per cent of the valuation of its taxable property. The legal title of all bonds deposited is to be transferred to the Treasurer of the United States in trust for the association depositing them.

The notes issued under the bill are to be used, held and treated in the same way as national bank notes heretofore issued and subject to the provisions of law affecting such notes except as modified in the bill. The total amount of outstanding circulating notes of any bank, however, must not exceed the amount of its unimpaired capital and surplus, and the total amount of notes issued under the bill must not at any time exceed \$500,000,000. While any bank has outstanding any of the additional circulation authorized by the bill, it is required to keep on deposit in the Treasury, besides the redemption fund required under the act of June 20, 1874, an additional sum equal to 5 per cent of such additional circulation, to be held and treated in the same manner as provided by that act. To secure an equitable distribution of the notes issued under the bill, it is provided that the Secretary of the Treasury shall not approve applications from any state in excess of the amount to which such state would be entitled on the basis of the proportion borne by the unimpaired capital and surplus of the banks of that state to those of the banks of the whole country, provided that where the applications from any state are below its proportion the Secretary of the Treasury, to meet an emergency, may assign the amount not applied for to any applying association in another state in the same section of the country.

The tax on the additional circulation is fixed by the bill for the first month at the rate of 5 per cent per annum upon the average amount of such notes in circulation, with an additional tax of 1 per cent per annum for each month afterward until a tax of 10 per cent per annum is reached, and thereafter a tax of 10 per cent per annum upon the average amount of the notes. These taxes are to be added to the reserve fund held for the redemption of United States and other notes. Provision is made for the appointment of a currency commission, consisting of nine members from each branch of the national legislature, to report what changes are desirable in the monetary system of the United States or in the laws relating to banking and currency, such commission to sit during the sessions or recess of Congress.

#### A Measure of Panic Insurance.

[From the Wall Street Journal.]

In the first place, it certainly does provide a measure of protection against the worst effects of such a financial crisis as we had last winter. It provides for the issue of emergency currency up to \$500,000,000 that could be issued quickly by national banks in case any scare developed that led to withdrawal of reserve money into hoarding places. That is something so invaluable to the financial system of the United States that, however defective the mechanism to accomplish this may be and however short it may fall of a thorough-going reorganization of the banking and currency laws of the United States, must be accepted as a great relief measure. It is panic in-

ce.

Moreover, in accomplishing this it does so with a frank acknowledgment that the law is a temporary expedient. This acknowledgment is made in the last section of the bill, which provides that the Act shall expire by limitation on June 30, meantime a national monetary commission is provided to report what changes are necessary in the

laws relating to banking and currency. The purpose is that between now and 1914 a really comprehensive and scientific system of banking shall be enacted.

#### Ex-Secretary Shaw on Cause of Panics.

At the meeting of the National Business League of Chicago ex-Secretary Shaw said:

"The American people have been living extravagantly and this practice has become well-nigh universal, and applies as much to the West as to the East. Boldness in business has also been the rule. In the agricultural States men have purchased lands, paying part cash, and have felt perfectly safe with a mortgage representing 50 per cent of the prospective value. City and suburban property has been purchased in the same way. Others have purchased well-known and high-grade stocks and bonds as investments, but have borrowed a part of the purchase price. Timber, coal lands and mining enterprises have been capitalized, and every locality, East, West, North, and South, has aided in their flotation. Commercial, industrial, and electric railway enterprises have been projected, and securities thus created have found a ready market in rural as well as in urban communities. Meantime, everyone has denounced the speculator and none have been more generous of criticism than those most guilty.

"It has been popular for several years to speak disparagingly of American business men, their methods, and the institutions with which they have been connected. With few exceptions, both the secular and the religious press have vied with magazine writers, Chautauqua lecturers, and ambitious politicians in painting in most somber colors everything American, and in gazetting as unworthy of confidence, quite indiscriminately, American business men. A few most shameful disclosures have been held up quite universally as fair illustrations of conditions generally instead of exceptions. Threats of criminal prosecutions of unnamed persons on undefined and indefinite charges have been liberally exploited. Naturally these things have had their influence. Universal business confidence cannot be maintained indefinitely in the face of universal denunciation, and when confidence forsakes us there is nothing left on which to rest our business and industrial superstructure.

"Lest I might be misunderstood, I want to make it clear that in my judgment this country will never outgrow the lift toward civic and business righteousness resulting from the policy of strict enforcement of law which has characterized the administration of President Roosevelt. I am equally certain that it will take us some years to outgrow the evil effects resulting from agitation, reckless legislation, and ill-considered prosecutions by those who have been unable to appreciate the President's purposes."

#### MONEY OF THE WORLD.

##### Stocks of Money in the Principal Countries of the World, in 1873, 1896, and 1906.

This table, which shows the quantity of gold, silver, and uncovered paper in each of the principal countries for which figures are available, compares the quantities of these various classes of money in 1906 with that of 1896, the period of the silver agitation in the United States, and with that of 1873, the earliest year for which figures of this character were collected by the Director of the Mint, whose office is authority for all of the figures in this table. It will be noted that the quantity of gold and the total money in the United States have grown much more rapidly than in any other country, and that the growth from 1896 to 1906 has been very strongly marked with a gain far in excess of that of any other country in the list. Attention is also called to the fact that the total stock of gold in the 13 countries named, as shown by the final line of the table, has grown much more rapidly than that of either of the other classes of money named.

In this connection the table showing the world's gold and silver production from 1493 to 1907 will prove interesting. The table in question will be readily found by reference to the index.

By an examination of that table it will be seen that the world's gold production since 1873 has aggregated as much as in the entire period from 1492 to 1873. An analysis of that table discloses the fact that the value of gold produced in the world from 1492 to 1873 was 6,120 million dollars, coining value, and that the production from the beginning of 1873 to the beginning of 1908 was 6,368 millions. Statisticians estimate that the quantity of gold in the world is now double that of 1875, while the quantity produced since 1896 has been over three billion dollars, or one-third as much as that produced in the 400 years prior to 1896.

**Stocks of money in thirteen principal countries of the world in 1873, 1896 and 1906.**

Relative increase in use of gold, silver and paper money illustrated.

Countries.	Stock of Gold.			Stock of Silver.			Uncovered paper.			Total money in countries named.		
	1873.	1896.	1906.	1873.	1896.	1906.	1873.	1896.	1906.	1873.	1896.	1906.
United States	\$135,000,000	\$693,300,000	\$1,593,300,000	\$9,150,000	\$364,500,000	\$698,700,000	\$749,445,000	\$397,000,000	\$610,800,000	\$390,595,000	\$1,727,800,000	\$2,902,800,000
Great Britain	160,000,000	564,000,000	498,700,000	95,000,000	121,700,000	116,800,000	59,300,000	112,100,000	116,800,000	314,800,000	817,800,000	720,300,000
France	450,000,000	772,000,000	928,400,000	500,000,000	443,900,000	411,100,000	385,300,000	119,200,000	292,200,000	1,335,360,000	1,335,100,000	1,696,700,000
Germany	160,300,000	654,500,000	1,030,300,000	300,235,000	212,800,000	219,700,000	90,800,000	128,800,000	207,100,000	357,255,000	991,100,000	1,517,100,000
Russia	140,100,000	588,900,000	939,400,000	18,000,000	74,200,000	77,900,000	618,400,000	467,200,000	No data.	780,100,000	1,128,300,000	1,017,400,000
Italy	20,000,000	98,900,000	215,500,000	23,000,000	45,400,000	31,700,000	87,800,000	161,000,000	150,000,000	130,800,000	303,200,000	397,500,000
Belgium	25,000,000	35,000,000	31,100,000	13,000,000	57,000,000	24,700,000	35,100,000	72,500,000	125,800,000	75,100,000	161,500,000	181,000,000
Netherlands	35,000,000	21,900,000	45,900,000	37,300,000	56,100,000	52,600,000	15,300,000	37,000,000	57,800,000	61,000,000	115,900,000	154,800,000
Austria-Hungary	85,000,000	178,500,000	306,400,000	40,000,000	63,700,000	105,300,000	295,800,000	177,600,000	119,300,000	340,800,000	419,871,379	531,000,000
Australasia	50,000,000	132,100,000	135,000,000	3,000,000	7,000,000	10,000,000	No data.	No data.	No data.	851,000,000	161,000,000	39,400,000
Denmark	4,100,000	15,400,000	22,600,000	7,500,000	5,400,000	6,100,000	6,500,000	6,400,000	10,700,000	18,100,000	27,200,000	67,100,000
Sweden	1,800,000	10,600,000	23,600,000	4,300,000	4,900,000	7,700,000	6,000,000	19,000,000	31,800,000	12,100,000	31,500,000	67,100,000
Norway	7,000,000	7,500,000	8,300,000	1,800,000	2,000,000	3,100,000	2,300,000	3,800,000	7,000,000	11,500,000	13,300,000	18,400,000
Total	1,200,800,000	2,701,600,000	5,753,500,000	1,057,685,000	1,728,600,000	1,765,400,000	2,322,545,000	1,720,000,000	1,769,300,000	4,500,030,100	7,229,203,000	9,286,800,000

a Exclusive of uncovered paper, for which no data is available.

## PROSPERITY.

The periods of protection in the United States have been the periods of prosperity. The periods of prosperity have been those of protection. In the first half of the little more than a century of our existence under the Constitution protection and low tariff alternated at comparatively frequent intervals. In the second half protection has been the rule, low tariff the exception. In the 48 years from 1860 to 1908 there have been 45 years of protection and 45 years of prosperity, 3 years of low tariff and 3 years of adversity. To be sure, there were during the long period of protection certain financial disturbances, due to incidents and causes which had no relation to, and were not affected by, the system of raising of revenues, but these were exceptions which proved the rule of general prosperity as an accompaniment of protection.

Measuring from 1812, the date of the first protective tariff, to 1861, the beginning of what may be termed the permanent period of protection, there were many experiments with free trade and protection. "During that long period," said the late James G. Blaine, in his celebrated reply to William E. Gladstone published in the *North American Review* in January, 1890, "free trade tariffs were thrice followed by industrial stagnation, by financial embarrassments, by distress among all classes dependent for subsistence upon their own labor. Thrice were these burdens removed by the enactment of a protective tariff. Thrice the protective tariff promptly led to industrial activity, to financial ease, to prosperity among the people; and this happy condition lasted in each case until illegitimate, prolific combinations precipitated another era of free trade. \* \* \* As an offset to the charge that free trade tariffs have always ended in panics and long periods of financial distress, the advocates of free trade point to the fact that a financial panic of great severity fell upon the country in 1873 when the protective tariff of 1861 was in full force. The panic of 1873 was widely different in its true origin from those which I have been exposing. The Civil War had sacrificed on both sides a vast amount of property, a half million men had been killed, and a million more disabled; the public debt that must be funded reached nearly 3,000 millions of dollars; \* \* \* two great calamities in the years immediately preceding had caused the expenditure of more than two hundred millions of dollars suddenly withdrawn from the ordinary channels of commerce; the rapid and extensive rebuilding in Chicago and Boston after the destructive fires of 1871 and 1872 had a closer connection with the panic of 1873 than is commonly thought. Still further, the six years of depression from 1873 to 1879 involved individual suffering rather than general distress. The country as a whole never advanced in wealth more rapidly than during that period. \* \* \* The business distress was relieved and prosperity restored under protection, whereas the ruinous effects of panic under free trade have never been restored except under protection."

This masterly analysis by Mr. Blaine of the relation of protective tariffs to prosperity and of great financial depressions in their relation to low tariffs has been fully justified by the events since it was written. The long period of depression which followed the return to low tariff immediately succeeding Mr. Blaine's defeat for the presidency continued during that entire period of low tariff and until relief was obtained by a return to protection. Following the reestablishment of protection in 1897 came an immediate restoration of prosperity, which continued steadily until the great disturbances in world finances resulting from the Boer and Russo-Japanese wars, and the local disturbances resulting from the great losses consequent upon the Baltimore and San Francisco disasters, which paralleled the Chicago and Boston disasters of 1871 and 1872, referred to by



Mr. Blaine as closely connected with the panic of 1873, and fully justifying his statement that financial depressions under protection are due to momentary causes and are but temporary in duration.

That the panic of 1907 was due to the great causes above referred to and to the lack of sufficient currency to finance the great undertakings consequent upon the tremendous prosperity which had come to the country under the decade of protection is now generally conceded, as will be seen from the quotations which follow from distinguished writers upon, and students of this subject. That it was merely a financial panic, temporary in its existence and not a great industrial depression reducing employment, wages, and prices of the products of labor, such as that accompanying the Wilson low tariff, will be equally apparent by a comparison of conditions in the summer of 1908, ten months after the panic of 1907, with those of the summer of 1896, after three years of low tariff and accompanying industrial, as well as financial depression. The public soup houses, the Coxey armies, the thousands compelled to sacrifice self respect and ask and accept charity and the millions unsuccessfully seeking employment, which characterized the industrial panic accompanying the low tariff period, 1894-7, contrast strongly with conditions to-day.

#### Business Improvements in 1908.

That business conditions have already greatly improved and that the financial disturbance of eight months ago is not to result in general business depression is now generally conceded.

The New York Journal of Commerce (Democratic) of June 1, 1908, announced the resumption of work on full time in large numbers of the New England cotton and woolen mills. The same issue reports from Paducah, Ky., the big hosiery mills of that city running day and night in the hope of catching up with orders.

The Philadelphia Ledger of June 2d reports the Coplin Cement Manufacturing Company as working day and night with its entire force, while large numbers of other industries were reported as increasing their force of employees and working on full time.

Dispatches from St. Louis published on June 1st, state that 17,000 names were on June 1st added to pay rolls in St. Louis and vicinity, and that \$5,000,000 worth of goods had been sent from the St. Louis houses to manufacturers within a fortnight. The New York Evening Post (Democratic) of May 23d, commenting upon the improvement, says: "It is only fair to remember that the country has to-day in its sound currency and prosperous interior two factors making for recovery which did not exist in 1874;" and on June 1st publishes dispatches from many places, especially the New England cotton and woolen mills, announcing a return to full time.

The Washington Post (Democratic) of June 2d says: "June begins the real summer season with many signs of returning prosperity. Plentifulness of money and its cheapness have encouraged promoters of industrial enterprises and railroad builders to renew their plans of expansion. Some of the best informed railroad men foresee business that will tax the capacity of their equipment. Merchants are beginning to order for a busy fall trade. The country is all right."

R. G. Dun & Co. say in their Review that their figures of commercial failures for the month of May, 1908, present the most encouraging monthly statement as to the amount of defaulted indebtedness since July of last year and its total of 13½ millions compares favorably with 20 1/3 millions in the best preceding month of this year. The New York Herald of June 1st says: "All the factors of production are with us in full blast, and with easy money and good crop prospects, to which the element of confidence is now added by the enactment of the currency bill, the outlook is bright indeed for the highest measure of prosperity."

New York Journal (Democratic) of June 2d says: "The country is waking up. Mills and factories that have been closed are again humming and whirling with action. Trade



is improving. New York merchants are reinstating employees that they were forced to dispense with last fall because of the flurry in Wall street. In Chicago commercial men are preparing for a prosperous season. In the great manufacturing centers of the East fears have fled from owners of plants and many chimneys that had long grown cold are now sending up their former volumes of smoke. There is money in the banks and the specter of distress is dimmer."

The New York Herald of July 26, says: From all over the land come the good tidings that an unmistakable and abundant wave of prosperity is sweeping along. To the Herald come dispatches from the great centers which prove beyond doubt that "good times" are here—and here apparently, to stay. Mills are running full blast, crops are bumper everywhere, the railroads are taking on men, and the entire nation, with one accord, gives vent to the expression that prosperous seasons are at hand. In the uplift of general industry from depression, following upon satisfactory harvests, no one can overlook the tremendous force of abundant and cheap money. While the vast accumulations in the banks of the country are in themselves the evidences and results of lessened activities of commercial life, the great accumulations of surplus funds gathered in the financial reservoirs provide the quickening of industry when the proper period for recuperation has run its course.

How vast a sum of reserve money has accumulated in the country in recent months can only be approximated. But in the national banks alone, under the call of the Comptroller of the Currency for their condition on May 14, there was no less than \$861,326,450 of specie and legal tenders or reserve money. Of this sum \$318,000,000 was in the vaults of national banks in New York City. The Comptroller of the Currency has just issued a call for the condition of the national banks as of July 15. The figures on this are not yet available, but the general impression is that, despite gold exports during the interval, the showing "legal reserve money" will have been augmented.

The total gold circulation in the United States, according to recent estimates, amounted to the huge total sum of \$1,445,000,000, of which 36 per cent was held in the national banks of the United States and nearly 16 per cent in the banks of New York City, which is the central reservoir of the financial system. As already stated on May 14, the national banks of the country held \$861,326,450, which was an increase of \$73,000,000, as compared with the preceding call by the Comptroller of the Currency, that of February 14, and no less than \$171,000,000 more than was held by the banks of the national association a year ago in May.

#### National Bank Conditions, May 14, 1908.

The latest report of the Comptroller of the Currency on the operations of the National banks of the country shows that their condition had nearly returned to that of the corresponding date in 1907, a period of high tide of prosperity, and was in marked contrast with conditions in March, 1897, the month of the inauguration of William McKinley, and the approximate end of the Wilson low tariff period. The capital stock paid in of the National banks of the country on May 14, 1908, was 912 million dollars; on May 20, 1907, one year earlier, 884 millions, and on March 9, 1897, was but 642 million dollars, showing an improved condition as to capital stock when compared with that of one year ago, and an increase of nearly 50 per cent when compared that of the corresponding date of 1897. The surplus fund on May 14, 1908, was 555 million dollars, against 535 millions on May 20, 1907, and but 247 millions on March 9, 1897. The undivided profits, less expenses and taxes paid, were on May 14, 1908, 203 million dollars, against 186 millions May 20, 1907, and but 86½ millions on March 9, 1897. The individual deposits on May 14, 1908, were 4,313 million dollars, against 4,323 millions on May 20, 1907, and but 1,669 millions on March 9, 1897, the individual deposits on May 14, 1908, being thus practically as much as one year ago, and over 2½ times as much as in 1897. The loans and discounts, which are a measure of industrial activity,

were on May 14, 1908, 4,528 million dollars, against 4,631 millions on May 20, 1907, and but 1,886 millions on March 9, 1897, being thus but little below the conditions of that high water mark of prosperity one year ago, and more than  $2\frac{1}{2}$  times as much as in March, 1897.

#### Money in Circulation, July 1, 1908.

The money in circulation in the United States on July 1, 1908, was \$3,045,257,289, against \$2,772,956,455 on July 1, 1907, the year of high-water mark of prosperity, against \$1,506,434,966 in 1896, the year of low-water mark of Democratic adversity, and the year in which William Jennings Bryan was telling us that prosperity and sufficient money to produce prosperity could only be had by the free and unlimited coinage of silver. The per capita circulation July 1, 1908, was \$34.81, against \$32.22 on July 1, 1907, and \$21.41 on July 1, 1897, the per capita of money in circulation on July 1, 1908, being thus 8 per cent more than in 1907 and 60 per cent more than in July, 1896, the low-record year of the Wilson tariff period. One interesting feature of this tremendous increase in the amount of money in circulation in the United States in 1908 as compared with 1896, when we were told that increased currency could only be obtained by the free and unlimited coinage of silver, is the fact that the gold and gold certificates in circulation (the latter being, of course, the equivalent of gold, since they represent gold deposited in the Treasury) aggregated on July 1, 1908, \$1,403,017,937, against but \$497,103,183 on July 1, 1896, or nearly three times as much gold in circulation in 1908 as in 1896.

#### Prices of Farm Products, 1908.

Another evidence that the financial disturbance of 1907 has not seriously affected the masses or their purchasing power and has not brought to the great agricultural population the terrible depression which characterized the low tariff period is found in a comparison of prices of farm and other products prevailing in the markets to-day with those of 1896. A little table below compares prices of a few representative articles in the first week of June, 1908, with those ruling in the first week of June, 1896. It will be seen that the price of wheat in New York, which in the first week of June, 1896, was 69 $\frac{3}{4}$  cents per bushel, was \$1 per bushel in June, 1908; corn advanced from 33 $\frac{3}{4}$  cents per bushel in June, 1896, to 78 cents per bushel in June, 1908; oats, from 22 $\frac{3}{4}$  cents per bushel in June, 1896, to 53 $\frac{1}{2}$  cents per bushel in 1908; lard, from 4.4 cents per pound to 8 $\frac{1}{2}$  cents; mess pork, from \$8 per barrel to \$14.50; wool, Ohio XX, from 17 cents per pound to 30 cents; and cotton, from 7 $\frac{3}{4}$  cents per pound in June, 1896, to 11.4 cents per pound in June, 1908.

#### Wholesale prices at New York of representative articles of farm production, 1896 and 1908.

Articles.	First week in June—	
	1896.	1908.
	Dollars.	Dollars.
Wheat, ----- per bushel..	0.69 $\frac{3}{4}$	1.00
Corn ----- per bushel..	.33 $\frac{3}{4}$	.78
Oats ----- per bushel..	.22 $\frac{3}{4}$	.53 $\frac{1}{2}$
Lard ----- per pound..	.044	.085
Mess pork ----- per barrel..	8.00	14.50
Wool, Ohio XX ----- per pound..	.17	.30
Cotton ----- per pound..	.07 $\frac{3}{4}$	.114

\*Price at Boston.

#### Evidences of Industrial Activity.

Further evidence of the slight effect upon our industries of the financial panic of 1907 when compared with the industrial depression of 1894, 1895 and 1896, which followed the enactment of the tariff law, is found by a comparison of the imports of raw materials at the present time with those



of the low tariff period, and also by a comparison of the manufactures exported at the present time with those of the low tariff period. The imports of raw material for use in manufacturing in the seven months from October, 1907, to and including April, 1908, the full period of the financial panic, exceeded in value those of *any full year of the operation of the Wilson low tariff act*, whose framers prided themselves on the fact that their tariff law offered free raw materials to the manufacturers of the United States. The importation of raw material during the entire period of the Wilson law averaged 16 million dollars per month; during the seven months' depression under the Dingley law, from October, 1, 1907, to May 1, 1908, the importation of raw material for use in manufacturing averaged 29 million dollars per month. The exports of manufactures during the three years' operation of the Wilson tariff law aggregated 774 million dollars, or an average of 21½ million dollars per month. The exports of manufactures from July 1, 1907, to May 1, 1908, including the full period of the depression under the Dingley law, aggregated 637 million dollars, or an average of 63.7 millions per month. Thus the monthly average of exportations of manufactures during the ten months ending with April, 1908, has been three times as much in value as the monthly average during the entire period of the Wilson law. It may safely be asserted that the value of manufactures exported in the fiscal year 1908 will be as great as that for the entire three years under the Wilson law, this estimate for 1908 being based upon the 11 months' figures already received by the Bureau of Statistics.

#### All Late Returns Favorable.

Necessarily the opportunities for a statistical comparison of 1908 conditions with those of earlier years are few, since statistical statements in most cases apply to full years, either fiscal or calendar, and none of these at the present moment are available for the year 1908. In all of the monthly or briefer periodic statements available the latest figures for 1908 have been presented, and the instantaneous picture of conditions which they present is, as seen by the above, extremely favorable. It is possible, however, to compare conditions at the close of 1907 (in some cases the calendar, and in other cases the fiscal year) with those of earlier dates and especially to compare conditions of 1907, after a decade of Dingley operation, with those of 1897, after three years' experience with low tariff and four years' experience with Democratic rule. The statements and tables which follow compare conditions in 1907 with those of 1897, the year of McKinley's inauguration and the enactment of the Dingley law, also in other cases with those of 1906, the last full year of Democratic and low tariff rule.

#### COMPARISON OF CONDITIONS IN 1907 WITH THOSE OF 1897.

##### Financial, Commercial and Industrial Conditions in the United States in 1897 and at Latest Available Date.

Value of all farm products, estimated by the Department of Agriculture: in 1897, 4,250 million dollars; in 1907, 7,500 millions.

Value of farm animals: on January 1, 1897, \$1,655,415,000; on January 1, 1908, \$4,331,230,000.

Value of horses: 1897, \$452,650,000; in 1908, \$1,867,530,000.

Value of mules: 1897, \$92,302,000; in 1908, \$416,939,000.

Value of cattle: 1897, \$877,169,414; in 1908, \$1,495,995,000.

Value of sheep: 1897, \$67,021,000; in 1908, \$211,736,000.

Value of swine: 1897, \$166,273,000; in 1908, \$339,030,000.

Farm value of sheep per head: 1897, \$2.46; in 1907, \$3.88.

Value of wool product: 1897, 30 million dollars; in 1907, 78 millions.

Farm value of crops: 1897, 501 million dollars; in 1907, 1,337 millions.

Farm value of wheat crop: 1897, 428 million dollars; in 1907, 554 millions.



Hay crop of the United States: 1897, 401 million dollars; in 1907, 744 millions.

Potato crop of the United States: 1897, 90 million dollars; in 1907, 184 millions.

Beet sugar product of the United States: 1897, 84 million pounds; in 1907, 967 millions, or eleven times as much in 1907 as in 1897, and the beet sugar production in 1907 was twice as great as that of the cane sugar production of the United States for the same year.

Farm value of corn per bushel: in 1897, 26.3 cents; in 1907, 51.6 cents.

Farm value of wheat per bushel: in 1897, 80.8 cents; in 1907, 87.4 cents.

Value of cotton crop: 1897, 288 million dollars; in 1907, 683 millions. (Estimate of New Orleans Cotton Exchange.)

Price of middling cotton per pound in the New York market: 1897, 7 cents; in 1907, 12.1 cents.

Price of medium Ohio fleece wool per pound: January, 1897, 21 cents; January, 1907, 39 cents.

Average price of corn in the New York market: in January, 1897, 32 cents per pound; in January, 1907, 64 cents per pound.

Pig iron production in 1897, 9,652,000 tons; in 1907, 25,781,000 tons.

Coal production: 1897, 178,776,000 tons; in 1907, 429 million tons.

Tin plates manufactured: 1897, 574,779,000 pounds; in 1906, 1,294,000,000 pounds.

American cotton manufactured by American mills: in 1897, 2,792,000 bales; in 1907, 5,005,000 bales.

Cotton imported for use in manufacturing in 1897, 51,899,000 pounds; in 1907, 104,792,000 pounds.

Wool imported for use in manufacturing: in 1897, 350,852,000 pounds; in 1907, 203,848,000 pounds, showing the contrast under protection and free trade.

Raw silk imported for use in manufacturing: in 1897, 7,993,000 pounds; in 1907, 18,744,000 pounds.

Crude rubber imported for use in manufacturing: in 1897, 35,574,000 pounds; in 1907, 76,964,000 pounds.

Pig tin imported for use in manufacturing tin plates: in 1897, 6½ million dollars; in 1907, 38 million dollars.

Value of all mineral products: in 1897, \$647,000,000; in 1906, \$1,903,000,000.

Total domestic exports: in 1897, 1,032 million dollars; in 1907, 1,854 millions.

Exports of manufactures: 1897, 311 million dollars; in 1907, 740 millions.

Share which manufactures form of the exports: 1897, 30 per cent; 1907, 40 per cent.

Imports: 1897, \$764,730,000; in 1907, \$1,434,421,000.

Imports of raw material for use in manufacturing: 1897, \$196,159,000; in 1907, \$477,027,000.

Imports free of duty: 1897, 382 million dollars; in 1907, 644 millions.

Imports dutiable: 1897, 383 million dollars; in 1907, 790 millions.

Excess of exports over imports: 1897, \$286,263,144; in 1907, \$446,429,653, and the excess of exports over imports since the Dingley Act went into effect, over 5½ billion dollars.

Money in circulation: July 1, 1897, 1,640 million dollars; June 1, 1908, 3,036 millions.

Gold and gold certificates in circulation: July 1, 1897, 555 million dollars; June 1, 1908, 1,402 million dollars.

Per capita money in circulation: July 1, 1897, \$22.87; June 1, 1908, \$34.75.

Interest on public debt: July 1, 1897, \$34,387,000; June 1, 1908, \$21,258,000.

Per capita interest charged: July 1, 1897, 48 cents; June 1, 1908, 31 cents.

Number of national banks in operation in United States: 1897, 3,610; February 14, 1908, 6,698.

Stock of national banks in operation: October 5, 1897, \$205,550,000; February 14, 1908, \$905,550,000.

Loans and discounts of national banks: October 5, 1897, 2,067 million dollars; February 14, 1908, 4,422 million dollars.

Deposits in all banks in the United States: 1897, 5,095 million dollars; 1907, 13,100 millions.

Deposits in savings banks: 1897, 1,983 million dollars; 1907, 3,495 millions.

Number of depositors in savings banks: 1897, 5,201,132; 1907, 8,588,811.

Bank clearings in the United States: 1897, 54 billion dollars; 1907, 155 billions.

Wealth. (There are no figures for 1897 or 1907.) Census estimate for 1900 is 88,517 million dollars, and for 1904, 107,104 millions.

Industrial insurance in force: 1897, 996 million dollars; in 1906, 2,454 millions.

Students in colleges, universities, and schools of technology: in 1897, 86,000; in 1906, 129,000.

Telegraph messages sent: 1897, 71,780,000; in 1907, 98,480,000.

Railways in operation in the United States: 1897, 184,591 miles; 1907, 228,509 miles, an increase of 43,918 miles.

Passengers carried: 1897, 504 millions; 1906, 815 millions.

Tons of freight carried: 1897, 788 millions; 1906, 1,610 millions.

Railways placed under receivership: 1897, 1,537 miles; 1907, 317 miles.

Railways sold under foreclosure: 1897, 6,675 miles; 1907, 114 miles.

Electric railways in the United States: 1897, 13,765 miles; 1906, 36,212 miles.

Average freight rates on wheat from St. Louis to Liverpool: 1897, 20.33 cents per bushel; in 1907, 15.87 cents per bushel.

Tonnage of vessels owned on the ocean, frontage, lakes and western rivers of the United States: 1897, 4,769,000 tons; 1907, 6,939 tons.

Vessels built in the United States: 1897, 232,233 tons; 1907, 471,332 tons.

Tonnage of vessels from foreign countries entering the ports of the United States: 1897, 23,760,000 tons; 1907, 36,622,000 tons.

Tonnage of vessels passing through the Sault Ste. Marie Canal: 1897, 17,620,000 tons; 1907, 44,088,000 tons.

Telephone subscribers: 1897, 325,000; January 1, 1908, 3,035,000.

Number of railway employees: 1897, 823,476; 1906, 1,521,355.

Wages paid by railways: 1897, 466 million dollars; 1906, 901 millions.

Expenditures for public schools in the United States: 1897, \$187,682,000; 1906, \$307,766,000.

Immigrants arrived: 1897, 230,832; 1907, 1,285,349.

Original homestead entries in the United States: 1897, 4,452,000 acres; 1907, 14,755,000 acres.

Public lands sold for cash: 1897, 7,754,000 acres; 1907, 20,867,000 acres.

The present phenomenal prosperity has been won under a tariff which was made to protect the interests of the American producer, business man, wage-worker, and farmer alike.—President Roosevelt at Minneapolis, April 4, 1903.

The Rate law does not go far enough. The practice under it has already disclosed the necessity for new amendments and will doubtless suggest more. Such is the true method—the empirical and tentative method—of securing proper remedies for a new evil.—Hon. Wm. H. Taft, at Columbus, Ohio.

The hum of industry has drowned the voice of calamity and the voice of despair is no longer heard in the United States, and the orators without occupation here are now looking to the Philippines for comfort. As we opposed them when they were standing against industrial progress at home, we oppose them now as they are standing against national duty in our island possession in the Pacific.—President McKinley.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

## Money in Circulation in the United States, 1880 to 1908.

This table shows the amount of money in circulation in the United States and the various classes thereof at decennial periods from 1800 to 1880, quinquennially from 1880 to 1890, and annually from 1890 to 1908. An especially important feature is the decline in the amount of money in circulation and in per capita circulation in 1895 and 1896 and the rapid increase which has characterized more recent years. It will be seen that the total amount of money in circulation has doubled since 1896 and that the increase has occurred chiefly in gold, and in gold certificates for which an equivalent in gold is deposited in the Treasury Department. The total circulation has doubled and the per capita circulation has increased more than 50 per cent since 1896, when Mr. Bryan and his followers were telling us that free coinage of silver was necessary to a growth of our currency.

## Money in circulation in the United States, 1800 to 1908.

[From the Statistical Abstract.]

Years, ending June 30—	Money in circulation.							
	Gold.	Silver.	Gold certificates.	Silver certificates.	U. S. Notes (greenbacks).	National bank notes.	Miscellaneous currency.	Total money in circulation.
1800.....	\$16,000,000						\$10,500,000	\$26,500,000
1810.....	27,000,000						28,000,000	55,000,000
1820.....	22,300,000						41,800,000	64,100,000
1830.....	26,344,295						61,000,000	87,344,295
1840.....	79,336,916						106,968,572	186,305,488
1850.....	147,385,458						121,366,626	278,752,084
1860.....	228,304,775						207,102,477	435,407,252
1870.....	25,000,000						36,602,075	61,602,075
1880.....	\$25,605,779	\$98,622,845	47,963,900	\$5,780,569	\$324,962,638	\$288,648,081		973,862,228
1885.....	341,688,411	82,789,890	126,729,730	101,630,946	827,895,457	337,415,178		1,292,568,615
1890.....	374,258,923	110,311,336	130,830,869	297,556,235	834,688,977	308,631,001		1,420,251,270
1891.....	407,319,163	117,045,399	120,063,069	307,235,966	843,207,360	181,614,937		1,497,440,707
1892.....	408,568,624	120,111,106	141,063,619	326,688,495	909,559,904	167,221,517		1,601,347,187
1893.....	406,535,063	122,369,539	92,642,189	326,623,848	319,069,426	174,663,966		1,536,701,245
1894.....	405,976,780	111,076,619	66,339,849	326,990,736	266,589,602	200,219,743		1,600,908,708
1895.....	479,637,961	112,321,355	46,381,309	319,622,941	263,648,985	206,933,051		1,601,968,473
1896.....	454,905,064	112,321,355	42,198,119	330,657,191	224,249,868	215,168,122		1,506,434,966
1897.....	517,589,688	111,566,680	37,265,339	357,849,312	245,954,622	225,544,351		1,837,859,895
1898.....	697,950,463	122,539,896	35,811,589	390,126,510	284,569,022	222,990,988		2,004,150,998
1899.....	679,788,060	130,647,250	32,655,919	402,136,617	306,351,842	227,895,430		2,175,390,561
1900.....	610,806,472	142,070,834	200,733,019	408,465,574	313,971,515	330,115,112		2,307,092,169
1901.....	682,890,765	146,156,637	247,036,359	429,643,556	330,015,406	345,476,516		2,519,112,860
1902.....	617,260,789	155,148,577	306,390,009	446,577,662	331,291,722	369,996,709		2,587,882,653
1903.....	646,817,576	166,842,169	465,655,069	454,783,013	333,759,425	343,027,836		2,736,046,628
1904.....	651,063,569	176,082,048	489,210,749	454,864,708	335,940,220	480,028,849		2,786,046,628
1905.....	668,645,075	186,630,872	516,561,849	471,620,054	338,940,220	548,001,238		3,045,457,289
1906.....	561,697,371	206,487,845	600,072,299	470,211,225	342,270,055	586,242,125		3,045,457,289
1907.....	614,553,623	190,267,923	788,464,300	465,581,977	340,189,888	632,431,580		3,045,457,289

<sup>a</sup> As the result of special investigation by the Director of the Mint, a reduction of \$135,000,000 was made in the estimate of gold coin in circulation on July 1, 1907, as compared with the basis of previous years.



## BANK DEPOSITS.

## Bank Deposits in the United States, 1875 to 1907.

This table, taken from the official reports of the Comptroller of the Currency, shows the amount of money deposited in all classes of banks and the grand total of bank deposits in the United States in each year from 1875 to 1907. It will be noted that the total gain in total deposits in the four Democratic years, from the end of 1892 to the end of 1896, was but 280 million dollars, an annual average of 70 millions during that period, while the increase since the beginning of 1897 has averaged 700 million dollars per annum, or more than ten times as much annually as the annual average during the four years of Democracy and low tariff.

## Deposits in banks of all classes in the United States, 1875 to 1907.

Years.	Deposits in—					Total deposits.
	National banks.	Savings banks.	State banks.	Loan and trust companies.	Private banks.	
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1875.	686,478,630	924,037,304	165,871,439	85,025,371	321,100,000	2,182,512,744
1876.	641,432,886	941,350,255	157,928,658	87,817,992	322,100,000	2,150,629,791
1877.	636,267,529	866,218,306	226,654,538	84,215,849	243,840,000	2,057,196,222
1878.	621,632,160	879,897,425	142,764,491	73,136,578	183,830,000	1,901,260,654
1879.	648,934,141	802,490,298	166,958,229	75,873,219	139,920,000	1,834,175,887
1880.	833,701,034	819,106,973	208,751,611	90,008,008	182,667,235	2,134,234,861
1881.	1,031,731,043	891,961,142	261,862,303	111,670,329	241,845,554	2,538,570,371
1882.	1,066,707,249	966,797,081	281,775,496	144,841,596	295,622,190	2,755,743,582
1883.	1,043,137,763	1,024,856,787	334,995,702	165,378,515	(h)	
1884.	979,020,350	1,073,294,955	325,365,669	188,745,922	(h)	
1885.	1,106,376,517	1,095,172,147	344,307,916	188,417,293	(h)	
1886.	1,146,216,911	1,141,530,578	342,882,767	214,003,415	(h)	
1887.	1,285,076,979	1,235,247,371	447,995,653	240,190,711	96,580,457	3,305,091,171
1888.	1,292,342,471	1,364,196,550	410,047,842	257,878,114	94,878,842	3,19,343,819
1889.	1,442,137,979	1,444,391,325	507,084,481	299,612,899	83,183,718	3,176,410,402
1890.	1,521,745,665	1,550,023,956	553,054,584	336,456,492	99,721,667	4,061,002,364
1891.	1,535,058,569	1,654,826,142	556,637,012	355,330,080	94,959,727	4,196,811,530
1892.	1,753,339,680	1,758,329,618	648,513,800	411,659,996	93,091,148	4,664,934,251
1893.	1,556,761,230	1,808,800,262	706,865,043	486,244,079	68,552,696	4,627,223,910
1894.	1,677,801,201	1,777,833,242	658,107,494	471,298,816	66,074,549	4,651,115,302
1895.	1,736,022,007	1,844,357,798	712,410,423	546,652,657	81,824,932	4,921,267,817
1896.	1,668,413,508	1,935,466,468	695,659,914	586,468,156	59,116,378	4,945,124,424
1897.	1,770,480,563	1,983,413,567	723,640,795	566,922,205	50,278,243	5,094,735,370
1898.	2,023,357,160	2,028,208,400	1,912,365,406	662,138,397	62,085,081	5,688,164,456
1899.	2,522,157,509	2,182,006,424	1,164,020,972	835,499,064	64,974,392	6,768,655,361
1900.	2,458,092,758	2,389,719,951	1,266,735,282	1,028,232,407	96,206,049	7,238,986,450
1901.	2,941,837,429	2,516,843,293	1,610,502,246	1,271,081,174	118,621,903	8,458,886,045
1902.	3,008,875,772	2,650,104,486	1,698,185,287	1,525,887,493	131,669,948	9,104,722,986
1903.	3,200,993,509	2,815,483,106	1,814,570,163	1,589,398,796	133,247,990	9,553,693,594
1904.	3,312,439,842	2,918,775,329	2,073,218,049	1,600,322,325	95,791,454	10,000,516,999
1905.	3,783,658,494	3,093,077,357	2,365,209,630	1,980,856,737	127,937,008	11,350,739,316
1906.	4,055,873,637	3,299,544,601	2,741,464,129	2,008,987,790	109,947,500	12,215,767,666
1907.	4,322,880,141	3,495,410,087	3,068,649,860	2,061,623,035	151,072,225	13,099,635,348

The Republican party was born because of a principle, and it has lived and grown because of principles too sound to be overthrown, too deep to be effaced.—Hon. James S. Sherman.

In the great battle of 1896 the Republican party again stood for the maintenance of the integrity of the nation. The fight was against odds produced by a great industrial depression, and against the most sophistical arguments. The Republican party maintained a campaign of education among the wage-earners and the farmers, which ultimately led to the complete defeat of this second financial heresy which has threatened the integrity of our business structure.—Hon. Wm. H. Taft, at Kansas City, Mo.

There has never been a Republican Administration which has not carried us forward. There has not been a Democratic Administration since the advent of the Republican party that has not carried us backward. The Democratic party has never had the courage, even when it had the opportunity, to enact into law its own promises. The Republican party on the contrary has not only promised but has fulfilled its pledges and accomplished even more than it pledged. That is why it has the confidence of the people, that is why it can again be intrusted with legislation and administration for another term. That is why it should be, and I believe will be, successful again next November.—Hon. James S. Sherman.

Number of savings banks in the United States, number of depositors, amount of savings deposits, average amount due each depositor in the years 1820, 1825, 1830, 1835, 1840, and 1845 to 1907, and average per capita in the United States in the years given.

[Compiled in the office of the Comptroller of the Currency.]

Year.	Number of banks.	Number of depositors.	Deposits.	Average due each depositor.	Average per capita in the United States
1820	10	8,635	\$1,138,576	\$131.86	\$0.12
1825	15	16,931	2,537,082	149.84	.23
1830	36	38,035	6,973,304	183.09	.54
1835	52	80,053	10,613,726	176.72	.72
1840	61	78,701	14,051,520	178.54	.82
1845	70	145,206	24,503,677	168.77	1.23
1846	74	158,709	27,374,325	172.48	1.38
1847	76	187,739	31,627,479	168.46	1.50
1848	83	199,764	33,087,488	165.63	1.52
1849	90	217,318	36,073,924	165.99	1.60
1850	108	251,351	43,431,180	172.78	1.87
1851	128	277,118	50,457,913	182.06	2.10
1852	141	308,833	59,467,453	192.54	2.40
1853	153	365,538	72,313,436	197.82	2.82
1854	190	396,178	77,823,906	196.44	2.94
1855	215	431,602	81,200,076	195.29	3.03
1856	222	487,366	95,538,230	195.90	3.40
1857	231	490,428	98,512,968	200.87	3.41
1858	215	538,840	108,438,287	201.21	3.61
1859	259	622,556	128,667,901	206.66	4.21
1860	278	693,870	149,277,504	215.13	4.75
1861	285	694,487	146,729,882	211.27	4.56
1862	289	787,943	169,434,540	215.03	5.18
1863	223	887,036	206,235,202	232.48	6.18
1864	305	976,025	236,280,401	242.08	6.91
1865	317	980,314	242,612,382	247.35	6.96
1866	336	1,067,061	282,455,794	264.70	7.96
1867	371	1,188,202	327,009,452	283.63	9.03
1868	406	1,310,114	392,781,813	299.80	10.62
1869	476	1,466,684	457,675,050	312.04	13.12
1870	517	1,680,846	549,874,358	337.17	14.26
1871	577	1,902,047	650,745,442	312.18	16.45
1872	647	1,992,925	735,046,305	368.32	18.11
1873	669	2,185,832	802,363,609	367.07	19.25
1874	693	2,293,401	864,556,902	376.98	20.20
1875	771	2,354,864	921,037,304	391.56	21.25
1876	781	2,368,630	911,360,255	397.42	20.86
1877	675	2,395,814	886,218,306	361.63	18.69
1878	663	2,403,785	879,897,425	366.50	18.49
1879	639	2,298,707	802,490,298	353.72	16.42
1880	629	2,395,582	819,106,973	350.71	16.33
1881	629	2,528,749	891,961,142	352.73	17.68
1882	629	2,710,354	966,797,081	356.70	18.42
1883	630	2,876,438	1,024,856,787	358.29	19.09
1884	636	3,015,151	1,073,294,956	355.96	19.55
1885	616	3,071,495	1,095,172,147	356.56	19.51
1886	638	3,156,950	1,141,530,578	361.36	19.89
1887	684	3,418,018	1,235,247,371	361.89	21.06
1888	801	3,838,291	1,364,196,550	355.41	22.75
1889	819	4,021,523	1,425,230,349	354.40	23.25
1890	921	4,258,803	1,524,844,506	358.03	24.35
1891	1,011	4,538,217	1,623,079,749	368.04	25.29
1892	1,059	4,781,605	1,712,769,026	358.90	26.11
1893	1,030	4,830,509	1,785,150,967	369.55	26.68
1894	1,024	4,777,687	1,747,961,230	365.86	25.83
1895	1,017	4,875,519	1,810,597,023	371.36	25.88
1896	988	5,084,494	1,907,136,277	376.50	26.68
1897	980	5,201,132	1,939,376,035	372.88	26.56
1898	979	5,385,746	2,065,631,298	383.54	27.67
1899	987	5,687,818	2,230,866,954	392.13	29.24
1900	1,092	6,107,083	2,449,517,835	401.10	31.78
1901	1,007	6,355,723	2,597,094,580	408.30	33.45
1902	1,036	6,666,672	2,750,177,290	412.53	34.89
1903	1,078	7,085,228	2,935,204,845	417.21	36.52
1904	1,157	7,305,443	3,060,178,611	418.89	37.52
1905	1,237	7,696,229	3,261,238,119	423.74	39.17
1906	1,319	8,027,192	3,482,137,198	433.79	41.18
1907	1,415	8,588,811	3,690,078,945	429.64	42.87

Anything that makes capital idle, or which reduces or destroys it, must reduce both wages and the opportunity to earn wages. It only reproduces the effects of a panic through which we are passing, or through which we passed in 1893 or 1873, to show how closely united in a common interest we all are in modern society. We are in the same boat, and financial and business storms which affect one are certain to affect all others.—Hon. Wm. H. Taft, before the Cooper Union, New York City.



## SAVING BANK DEPOSITS.

**Deposits and Depositors in Savings Banks in the Principal Countries of the World, compared with those of the United States.**

This table, which shows the number of depositors in savings banks in the principal countries of the world, and the average amount per capita, gives an opportunity to compare the prosperity of American savings depositors with that of depositors in other countries. It will be noted that the total amount of deposit and the per capita deposit exceed in the United States those of any other country shown in the list, which includes all countries for which statistics of this character are available. The table is an official one prepared by the Bureau of Statistics for publication by the Comptroller of the Currency in his annual report for 1908.

*Depositors, amount of deposits and average deposit in all savings banks, and average deposit per inhabitant in the principal countries of the world, according to latest available information.*

[From 1907 Report of the Comptroller of the Currency.]

Countries.	Number of depositors.	Deposits.	Average deposit.
Austria.....	\$5,514,570	\$1,033,181,961	\$187.32
Belgium (a).....	2,311,845	151,640,983	65.59
Denmark (b).....	1,323,044	212,900,390	160.08
France.....	12,134,523	898,376,625	74.03
Germany.....	17,394,217	2,831,333,000	163.71
Hungary (c).....	1,546,629	370,944,925	239.84
Italy (d).....	6,545,678	233,735,421	35.71
Netherlands.....	1,649,769	91,649,000	55.55
Norway.....	790,307	100,250,602	125.85
Russia (e).....	5,665,996	533,346,000	94.13
Finland.....	243,525	24,434,885	100.33
Sweden.....	1,941,655	175,917,932	90.80
United Kingdom.....	12,063,783	1,017,126,458	84.10
Australasia.....	1,500,443	237,305,271	158.16
Canada (f).....	209,563	63,741,650	293.07
Cape Colony.....	107,191	12,514,706	116.75
British India.....	1,115,753	45,396,741	40.69
Japan.....	12,552,050	75,966,732	6.05
United States (g).....	8,888,811	3,690,078,945	423.64
All other.....	2,680,278	306,788,295	114.46
<b>Total.....</b>	<b>\$95,809,635</b>	<b>\$12,106,630,522</b>	<b>\$126.36</b>

a. Data for the State-controlled Caisse Générale d'Epargne. Includes savings deposits with post-offices. In addition, there are four municipal and five private savings banks, which on December 31, 1904, had 42,279, and on December 31, 1905, 42,171 depositors, and deposits to the amount of \$9,379,623 in 1904, and \$9,575,248 in 1905.

b. Includes all savings institutions. Number of depositors in savings banks proper, exclusive of branches of ordinary banks, was in 1905, 1,021,697; in 1904, 996,615; deposits, \$160,621,194 in 1904, and \$166,677,241 in 1905.

c. Exclusive of owners of savings deposits in commercial banks and savings associations, who numbered in 1905, 499,238, and in 1904, 462,307, with deposits of \$144,622,000 in 1904 and \$162,948,000 in 1905.

d. Exclusive of depositors in the so-called "società ordinaria di credito" and "società cooperativa di credito," for which the number of depositors is not stated. The deposits at the end of 1903 amounted to \$85,965,495.

e. Preliminary data for all Government savings banks, as published in the *Viestnik Finansov*. Deposits are exclusive of securities held for depositors, the nominal value of which on December 31, 1905, was \$115,431,000, and on December 31, 1906, \$122,262,000.

f. Exclusive of deposits and depositors in the special savings banks, amounting on June 30, 1906, to \$27,399,194. The total deposits in all savings banks amounted thus to \$89,309,816 in 1906, making the average deposit per inhabitant \$13.87. These totals do not include the savings deposits in the chartered banks ("deposits payable after notice or on a fixed day"), which on December 31, 1906, were \$398,765,182, and on December 31, 1905, \$338,411,275.

g. Includes Illinois State banks having savings departments.

Liberty and honor do not measure all that the party has stood for and stands for today. There is another great underlying policy which the Republican party adopted at its birth and has developed since as has none of the great powers of Christendom. I refer to the Policy of Progress, which has made our country the greatest, our nation the strongest, and our people the wealthiest and happiest of all the peoples of the world.—Hon. James S. Sherman.



## National banks organized since the establishment of the national banking system—Continued.

[From the report of the Comptroller of the Currency.]

Year ending October 31.	Organized.		Closed.				Net yearly increase.		Net yearly decrease.	
	No. Capital.		In voluntary liquidation.		Insolvent.		No. Capital.		No. Capital.	
			No.	Capital.	No.	Capital.				
1882	163	\$15,285,000	53	\$6,157,500	17	\$2,450,000	93	\$9,677,500		
1883	119	11,230,000	46	6,085,000	65	10,935,000	8		50	\$3,740,000
1884	50	5,285,000	79	10,475,000	21	2,770,000			42	6,388,140
1885	43	4,880,000	49	6,083,100	36	5,235,000			36	4,405,000
1886	28	3,245,000	37	3,745,000	27	3,895,000			65	11,090,500
1887	44	4,420,000	70	9,653,000	38	5,951,500			19	4,014,000
1888	56	9,605,000	69	12,603,000	7	1,200,000				
1889	78	16,470,000	64	24,335,000	12	1,820,000	2			
1890	383	19,960,000	43	12,474,450	6	1,900,000	334	5,685,050		
1891	394	21,551,500	39	7,415,000	11	1,760,000	314	12,870,500		
1892	470	31,130,000	71	22,100,000	2	8,450,000	397	8,400,000		
1893	553	34,383,500	72	30,720,000	12	3,480,000	469	133,500		
1894	431	21,019,300	65	20,295,000	20	1,535,000	346	7,068,000		600,700
1895	506	33,582,500	121	24,400,500	22	2,035,000	363	7,510,500		
1896	455	21,413,500	81	13,223,000	8	690,000	366			
1897	516	34,987,000	84	11,745,000	7	775,000	425	22,447,000		
Aggregate	8,937	971,893,482	1,834	329,902,050	473	78,192,420	6,909	699,107,832		
Net decrease							281	63,838,820		
Net increase							6,628	565,769,012		
Added for banks restored to solvency							22	6,105,000		
Total net increase							6,650	\$371,874,012		

The total authorized capital stock on October 31 was \$999,274,775; the paid-in capital, \$907,678,316, including the capital stock of liquidating and insolvent banks which have not deposited lawful money for the retirement of their circulating notes.



**BUILDING ASSOCIATIONS.**

**They Care for \$728,000,000 of the People's Savings.—An Increase of \$55,000,000 in 1907 Alone.**

[From Cincinnati Commercial Tribune, March 1, 1908.]

The report of Secretary Cellarius, of the United States League of Building Associations, now in session at New Orleans, shows that the building associations of the United States are caring for the enormous number of 728,000,000 dollars of the savers among the people of the United States—the home-builders and home-owners of the country. Secretary Cellarius thus tells of the remarkable increase in the holdings of the building associations during 1907:

The building and loan associations of the United States have increased approximately \$55,000,000 in assets in 1907, so that they now care for \$728,000,000 of the people's savings. The members of these associations are largely wage-earners. They have in the aggregate accumulated a vast sum, which has been mainly loaned to members for the purpose of securing their own homes.

During the same year the membership increased over 100,000, with Pennsylvania having the largest increase in assets—\$10,000,000—and Ohio next with an increase of \$8,000,000. In only one State, California, was there a decrease in membership, 2,000 falling from the rolls; yet the assets of the associations in that State increased in the sum of \$200,000. Plainly the calamity howler ought to take to the woods in the face of the showing of the building associations of the United States. Deposits of \$673,000,000 in 1906 rising to deposits of \$728,000,000 in 1907 are a most conclusive answer to the pessimists whose only delight is in the determination to see nothing but calamity and to hear nothing but its howls. The better part of the showing is in the fact that the depositor in a building association is a home-builder, adding immensely to the wealth of the country and raising the standard of citizenship. Ohio shows up well, magnificently well, in fact, considering the greater population of Pennsylvania, and 1908 will push her further to the front.

**FAILURES.**

**Commercial Failures in the United States, 1880 to 1907.**

The table which follows, taken from Dun's Review, a non-partisan publication, shows the number of commercial failures and the amount of liabilities in each year from 1880 to 1907. These figures are for the calendar years—the year ending December 31—and those for 1907 therefore include most of the great failures which occurred during the recent financial troubles. It will be noted that the total liabilities in 1907 (\$197,000,000) were but about one-half of those of 1893 (\$346,000,000), when the population was but about three-fourths that of today, and much less than the annual average during the four Democratic years, 1893, 1894, 1895 and 1896, although the population of the United States was then less than 70,000,000 against the present 86,000,000. The liabilities of the failures of 1893 amounted to \$346,779,839, when the entire population was about 66,349,000, or an average liability of \$5.23 if applied to the entire population. In 1907 the liabilities were \$197,385,225 and the population 85,817,293, or an average liability of \$2.30 per capita in 1907, against \$5.23 per capita in 1893.

**Principles are more enduring than men, more lasting than factions.—Hon. James S. Sherman.**

Instead of making a panic, the national policy of ending lawlessness of corporations in interstate commerce, and taking away their power of issuing, without supervision, and bonds, will produce a change in their management and remove one fruitful cause for loss of public confidence.  
—Hon. Wm. H. Taft, to Merchants and Manufacturers' Assn., Boston, Mass.

# PROSPERITY.

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## Commercial failures and average of liabilities, 1880 to 1907.

[From Dun's Review, New York.]

Calendar Year.	Total for the Year.				
	Number of failures.	Number of business concerns.	Per ct. of failures.	Amount of liabilities.	Average liabilities.
1880	4,785	746,823	0.63	\$85,752,000	\$13,886
1881	5,532	781,689	.71	81,155,932	14,530
1882	6,738	822,256	.82	101,547,564	15,070
1883	9,184	863,928	1.06	172,874,172	18,823
1884	10,968	904,759	1.21	226,343,427	20,632
1885	10,687	919,990	1.16	124,220,321	11,678
1886	9,834	969,841	1.01	114,644,119	11,651
1887	9,634	994,281	.90	167,560,944	17,302
1888	10,679	1,046,662	1.02	123,829,973	11,595
1889	10,882	1,051,140	1.04	148,784,337	13,672
1890	10,907	1,110,590	.98	139,856,964	17,406
1891	12,273	1,142,951	1.07	139,868,638	15,471
1892	10,344	1,172,705	.88	114,044,167	11,025
1893	15,242	1,193,113	1.28	346,779,889	22,751
1894	13,886	1,114,174	1.25	172,992,856	12,458
1895	13,197	1,209,232	1.09	175,186,080	13,121
1896	15,088	1,151,579	1.31	226,096,834	14,992
1897	13,351	1,068,521	1.26	151,332,071	11,559
1898	12,186	1,105,890	1.10	130,662,899	10,722
1899	9,337	1,147,505	.81	90,879,889	9,733
1900	10,774	1,174,300	.92	138,495,673	12,854
1901	11,002	1,219,242	.90	113,092,376	10,279
1902	11,615	1,253,172	.93	117,476,769	10,114
1903	12,069	1,281,481	.94	155,444,185	12,879
1904	12,199	1,320,172	.92	144,202,311	11,820
1905	11,520	1,356,217	.85	102,676,172	8,913
1906	10,682	1,391,587	.77	119,201,515	11,150
1907	11,725	1,417,077	.82	197,385,225	16,834

\*Democratic and low tariff period.

## WHEAT PRODUCTION AND CONSUMPTION.

### Wheat Production and Consumption of the United States and Production of the World.

This table shows the production, exports, quantity retained for consumption, consumption per capita, and farm value of wheat in the United States, for a long term of years. The per capita consumption, a measure of the prosperity of the people, was, it will be observed, larger in 1906 than in any earlier year; the value of the crop per acre in 1905, 1906 and 1907, greater than in many years; the production unusually large, but the exportation much below the annual average prior to 1904, indicating that the requirements of our own population are rapidly approaching present productive capacity and justifying the efforts of the present administration to expand the producing area of the country through irrigation, drainage and the conservation of natural resources.

*Quantities of wheat produced in the United States and in the world, and of wheat and wheat flour exported and retained for consumption, 1877 to 1907; flour reduced to wheat at 4½ bushels to barrel.*

[From the Statistical Abstract.]

Year ending June 30 (a)	Production.	Exports of domestic.	Domestic retained for consumption.	Per capita consumption.	Value of crop per acre.	World's production.
	Bushels.	Bushels.	Bushels.	Bush.		
1877	230,356,500	57,013,936	232,312,534	5.01	\$10.09	Average crop. 1,944,000,000
1878	364,196,146	92,071,726	272,154,520	5.72	14.65	
1879	420,122,400	150,502,536	269,619,864	5.58	10.15	
1880	448,756,630	180,301,180	268,452,450	5.35	15.27	
1881	498,549,888	188,321,514	312,228,354	6.09	12.48	
1882	383,230,090	121,392,389	261,837,701	4.06	12.12	
1883	504,186,470	147,811,316	356,374,154	6.64	12.02	
1884	421,066,180	111,534,182	309,551,978	5.64	10.38	

## Quantities of wheat produced—Continued.

Year ending June 0— (a).	Production.	Exports of domestic.	Domestic retained for consumption.	Per capita consumption.	Value of crop per acre.	World's production.
			Quantity			
	Bushels.	Bushels.	Bushels.	Bush.		
1885	512,765,000	132,570,366	380,191,634	6.77	8.38	
1886	357,112,000	94,565,793	262,546,207	4.57	8.05	
1887	457,218,000	153,804,969	303,413,031	5.17	8.54	2,434,000,000
1888	453,829,000	119,624,314	336,708,686	5.62	8.25	
1889	415,868,000	88,600,742	327,267,258	5.34	10.32	
1890	490,560,000	109,430,467	381,129,533	6.09	8.98	
1891	390,262,000	106,181,316	283,080,684	4.59	9.28	2,432,322,000
1892	611,780,000	225,665,812	386,114,188	5.91	12.86	2,481,805,000
1893	515,949,000	191,912,635	324,036,365	4.89	8.35	2,562,913,000
1894	396,131,725	164,283,129	231,848,596	3.44	6.16	2,660,577,000
1895	460,267,416	144,812,718	315,454,698	4.59	6.48	2,562,518,000
1896	467,102,947	126,443,968	340,658,979	4.85	6.99	2,506,320,000
1897	427,684,346	145,124,972	282,559,374	3.95	8.97	2,236,298,000
1898	530,140,168	217,306,004	312,834,164	4.29	10.86	2,948,246,000
1899	675,148,795	222,618,420	452,530,375	6.09	8.92	2,783,885,000
1900	547,303,846	186,096,762	361,207,084	4.74	7.17	2,640,751,000
1901	522,229,595	215,990,073	306,239,522	3.95	7.61	2,955,975,000
1902	748,460,218	234,772,515	513,687,703	6.50	9.37	3,090,116,000
1903	670,063,006	202,905,598	467,157,410	5.81	9.14	3,186,883,000
1904	637,821,835	120,727,613	517,094,222	6.33	8.96	3,147,627,000
1905	552,399,517	44,112,910	508,286,607	6.15	11.58	3,317,881,000
1906	692,979,489	97,609,007	595,370,482	7.07	10.83	3,423,134,000
1907	735,260,970	146,700,425	588,560,545	6.86	10.37	3,111,059,000

a The production and value per acre relate to the calendar year preceeding the fiscal year.

Prosperity has come at home; the national honor and interest have been upheld abroad.—From President Roosevelt's speech of acceptance.

The price of wheat is fixed by the law of supply and demand, which is eternal; gold has not made long crops or short crops, high prices or low prices.—Maj. McKinley to Homestead workingmen, September 12, 1896.

We must regard and have an interest in what our neighbors are doing, and when we can assist them, we cannot pass by on the other side as the Levite did, but we must take them up as the Good Samaritan did and bind up their wounds and prepare to send them on their way rejoicing.—Hon. Wm. H. Taft, at Cleveland, Ohio.

The true welfare of the country is indissolubly bound up with the welfare of the farmer and the wage-worker—of the man who tills the soil, and of the mechanic, the handicraftsman, the laborer. If we can insure the prosperity of these two classes we need not trouble ourselves about the prosperity of the rest, for that will follow as a matter of course.—Vice-President Roosevelt at opening of Pan-American Exposition, May 20, 1901.

In the first place it is said that the policy of the administration has been directed for the last four years against organized capital, and that it has thereby frightened investors. I deny it. The course of the administration has been directed against such organized capital as was violating the statutes of the United States—and no other. It had every consideration and desire to aid and assist organized capital which was engaged in legitimate business.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

The tide of prosperity may ebb and flow, but the great waves of industrial wealth will continue to grow in volume with ever-increasing comfort and happiness to our contented people, who will soon number 100,000,000. And because of our intelligent and skillful labor, made so because of good wages and good living, we shall make better fabrics and build stronger structures—that in spite of their higher cost in the beginning will be cheaper in the end and will be wanted by the people in every corner of the earth. So that we shall capture the markets of the world in greater volume without ever sacrificing our home market, the foundation of our National wealth and progress.—Hon. James S. Sherman.

One vital, dominating fact confronts the Democratic Party which no oratory, which no eloquence, which no orator can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

*Financial, commercial, and industrial conditions in the United States, 1892, 1896, and 1907.*

ITEMS.	1892.	1896.	1907.
Population.....	65,083,000	70,254,000	85,817,000
Interest-bearing debt.....dolls.	585,029,330	847,363,890	894,834,280
Annual interest charge.....dolls.	22,893,883	31,387,266	21,628,914
Annual interest per capita.....cts.	35	49	25
Receipts from customs.....dolls.	177,452,964	180,021,752	332,233,363
Treasury receipts, net ordinary.....dolls.	354,937,781	326,976,200	663,140,334
Gov't expenditures (a).....dolls.	345,023,331	352,179,446	578,903,748
Gold in Treasury.....dolls.	114,612,892	102,494,781	301,619,431
Gold and gold certificates in circulation (b).....dolls.	519,662,443	497,103,183	b1,161,769,607
Money in circulation.....dolls.	1,601,347,187	1,506,434,966	b2,772,956,455
Money in circulation, per capita.....dolls.	24.56	21.41	b32.22
Bank clearings, New York.....dolls.	36,279,905,236	29,350,894,884	95,315,421,238
Bank clearings, total, U. S.....dolls.	60,883,572,438	51,935,651,733	154,662,515,258
Loans and discounts, national banks.....dolls.	2,127,757,191	1,971,642,012	4,631,143,692
Savings bank depositors (c).....No.	4,781,605	5,065,494	8,588,811
Savings bank deposits (d).....dolls.	1,758,329,618	1,935,466,468	3,495,410,067
Bank deposits, total.....dolls.	4,664,934,251	4,945,124,424	13,069,635,343
Industrial life insurance in force.....dolls.	583,527,016	888,266,586	2,453,616,207
Total life insurance in force.....dolls.	4,897,731,359	5,943,067,492	13,706,810,284
Imports.....dolls.	827,402,462	779,724,674	1,434,421,425
Imports, per capita (e).....dolls.	12.50	10.81	16.55
Exports.....dolls.	1,030,278,148	882,606,938	1,889,851,078
Exports, per capita (f).....dolls.	15.61	12.29	21.60
Excess of exports over imports.....dolls.	202,875,686	102,882,264	446,427,653
Imports of mfr's materials.....dolls.	188,317,595	197,616,852	477,027,174
Exports of manufactures.....dolls.	183,076,682	258,008,885	740,123,451
Share mfr's form of exports.....per cent.	18.02	29.89	39.92
Exports of meat and dairy products.....dolls.	141,240,834	133,377,549	202,392,506
Exports to Asia and Oceania.....dolls.	35,163,117	42,827,258	133,889,857
Exports to Porto Rico.....dolls.	2,856,003	2,102,094	g25,686,285
Exports to Hawaii.....dolls.	3,781,628	3,985,707	h14,435,725
Exports to Philippine Isles.....dolls.	60,914	162,446	8,661,424
Animals on farms, total value.....dolls.	2,461,785,698	1,727,926,084	4,423,697,853
Horses.....dolls.	1,007,593,636	500,140,186	1,846,578,412
Cattle.....dolls.	922,127,287	872,883,961	1,527,054,378
Mules.....dolls.	174,882,070	108,204,457	428,063,618
Swine.....dolls.	241,031,415	186,629,745	417,791,321
Sheep.....dolls.	116,121,290	65,167,735	204,210,129
Sheep, total in U. S.....No.	44,938,365	38,298,783	53,240,282
Sheep, av. val. per head.....dolls.	2.60	1.70	3.86
Farm products, value.....			
Corn.....dolls.	642,146,630	491,006,967	1,336,901,000
Wheat.....dolls.	322,111,881	310,602,539	551,437,000
Oats.....dolls.	209,253,611	132,485,033	334,598,000
Hay.....dolls.	490,427,798	388,145,614	743,507,000
Potatoes.....dolls.	173,567,520	72,182,850	183,880,000
Wool production.....lbs.	294,000,000	272,474,708	298,294,750
Wool.....dolls.	79,075,777	32,529,636	78,263,165
Cotton production.....dolls.	313,000,000	269,118,000	578,000,000
Beet-sugar production.....tons.	5,000	29,000	432,000
Mineral production.....dolls.	622,548,381	640,544,221	11,902,517,565
Coal production.....tons.	160,115,242	171,416,393	369,783,291
Pig-iron production.....tons.	9,157,000	8,623,129	25,781,361
Steel rails mfg.....tons.	1,298,938	1,300,325	13,977,872
Steel manufactured.....tons.	4,927,581	5,281,689	23,396,000
Exports of iron and steel.....dolls.	28,800,930	41,160,877	181,580,871
Tin plates manufactured.....lbs.	42,119,192	289,209,798	11,293,738,880
Tin plates imported.....lbs.	422,176,202	385,138,983	142,529,406
Pig tin imported.....lbs.	43,908,652	49,952,957	96,013,005
Domestic cotton used in mfg.....bales.	2,856,000	2,506,000	5,005,000
Silk imported for mfg.....lbs.	8,894,049	9,363,987	18,743,904
Hides and skins imported.....dolls.	26,850,218	30,520,177	83,206,545
Rubber imported for mfg.....lbs.	39,976,205	36,774,460	76,963,838
P. O. Dept., receipts of.....dolls.	70,980,478	82,499,308	183,595,006
Telegraph messages sent.....No.	71,722,589	72,321,896	98,490,097
Telephone subscribers (k).....No.	216,017	281,695	3,035,533
Patents issued.....No.	23,559	23,273	96,620
Failures.....No.	10,344	15,088	11,725
Failures, liabilities.....dolls.	114,044,167	226,096,324	197,385,225
Original homestead entries.....acres.	16,808,791	4,830,915	14,764,585
Railways built.....miles.	4,441	1,654	15,294
Railways, net earnings.....dolls.	852,817,406	332,766,979	1790,187,712
Railways, dividends paid.....dolls.	93,862,412	81,528,154	1253,340,925
Railways, employees.....No.	821,415	m785,034	1,521,355
Railways, wages paid.....dolls.	440,318,900	m445,508,261	1,900,801,832
Railways, freight carried.....tons.	780,645,011	773,888,716	11,610,999,888
Railway passengers, carried.....No.	575,769,678	585,120,766	1,615,744,112



*Financial, commercial, and industrial conditions in the United States, 1892, 1896, and 1907.—Continued.*

ITEMS.	1892.	1896.	1907.
Railways, freight receipts, ton per mile.....cents..	94	82	77
Railways sold under fore- closure.....miles..	1,922	13,730	114
Freight passing Sault Ste. Marie canals.....tons..	10,647,203	17,249,418	44,087,974
<b>WHOLESALE PRICES (ANNUAL AVERAGE).</b>			
	Dollars.	Dollars.	Dollars.
Wheat.....per bush..	0.7876	0.6413	0.9073
Corn.....per bush..	.4500	.2580	.5280
Oats.....per bush..	.3042	.1801	.4501
Flour, patent.....barrel..	4.3466	3.7957	4.8755
Hogs, heavy.....100 lbs..	5.1550	3.3579	6.0800
Bacon, short clear sides.....pound..	.0787	.0494	.0954
Steers, choice to extra.....100 lbs..	5.0909	4.5957	6.5442
Beef, fresh native sides.....pound..	.0762	.0698	.0884
Coffee, Rio No. 7.....pound..	.1430	.1233	.0658
Sugar, granulated.....pound..	.04354	.04582	.04651
Tea, Formosa, fine.....pound..	.3008	.2533	.2300
Men's shoes, vici kid.....pair..	2.5000	2.2500	2.500
Men's shoes, brogan.....pair..	1.0375	.9938	1.2729
Serge suitings.....yard..	.9100	.6143	1.05
Women's dress goods, cash- mere.....yard..	.3724	.1960	.3920
Wool, Ohio, and XX, scoured.....pound..	.6119	.3940	.7181
Coal, anthracite, stove.....ton..	4.1532	3.7942	4.8215
Coal, bituminous, at mine.....ton..	.9000	.9000	1.5375
Petroleum, refined.....gallon..	.0794	.1039	.1346
Pig iron, foundry No. 1.....ton..	15.7492	12.9550	23.8950
Wire nails.....100 lbs..	2.1896	2.9250	2.1167
Cut nails.....100 lbs..	1.7583	2.7125	2.1625
Tin plates (o).....100 lbs..	5.3050	3.4354	4.0900
Steel rails.....ton..	30.0000	28.0000	28.0000
Steel billets.....ton..	23.6308	18.8333	29.2533
Rope, manila, 3/4 inch.....pound..	.1148	.0664	.1290

a "Net ordinary expenses" include expenditures for War, Navy, Indians, pensions, payments for interest, and "Miscellaneous," but do not include payments for premiums, principal of public debt, or expenditures for postal service paid from revenues thereof.

b As the result of special investigation by the Director of the Mint a reduction of \$135,000,000 was made in the estimate of gold coin in circulation on July 1, 1907, as compared with the basis of previous years.

c Includes depositors in Illinois State banks having savings departments, for number of which see report of the Comptroller of the Currency.

d Exclusive of Illinois State banks having savings departments.

e Based on imports for consumption only.

f Based on domestic exports only.

g Shipments to Porto Rico.

h Shipments to Hawaii.

i Includes corn, wheat, oats, barley, rye, buckwheat, potatoes, and hay.

j 1906.

k Includes statistics of American Telephone and Telegraph Company and operating companies associated with it.

l 1893.

m 1895.

n Excludes compensation paid by Southern Pacific Company, not reported. Corresponding amount paid in 1905 was \$27,539,117.

o 1892 figures are for imported tin; those of subsequent years, of domestic manufacture.

**The policy of Washington is the policy of the Republican party.—Senator Cullom.**

**Luxuries to the European laborer are necessities to the American.—Senator Frye, in the American Economist.**

**The people have no patience with those who would violate the plighted faith of the nation and stamp its obligations dishonor.—Hon. Wm. McKinley to delegation of farmers, Canton, September 22, 1896.**

**Business men of our community as a whole are honest in their methods are sound. The President has never said so. Indeed, it is chiefly in the interest of the great honest business men that he has made his fight against business methods.—Hon. Wm. H. Taft, to Mer-  
id Manufacturers' Association, Boston, Mass.**

## THE TARIFF.

Protection to American labor and industry was one of the leading motives which led to the Constitution—in fact, said Webster, “Without that provision in the Constitution it never could have been adopted.” It is not to be wondered at then that the first revenue law placed upon our statute books provided for the encouragement and protection of manufacturers. While the list of articles enumerated was small as compared to the extended schedule of to-day, yet the law was found to be most effective in inaugurating an industrial policy and an industrial advance, which has continued with more or less force and with comparatively few interruptions to the present day. This first tariff law continued in force practically without material change until 1812, when it was enacted:

“That an additional duty of 100 per cent upon the permanent duties now imposed by law upon goods, wares, and merchandise imported into the United States shall be levied and collected upon all goods, wares, and merchandise which shall, from and after the passing of this act, be imported into the United States from any foreign port or place.”

And it was further enacted:

“That this act shall continue in force so long as the United States shall be engaged in war with Great Britain and until the expiration of one year after the conclusion of peace, and no longer: *Provided, however,* That the additional duties laid by this act shall be collected on all such goods, wares, and merchandise as shall have been previously imported.”

This was the only complete revision of the tariff that has taken place in our history on account of war. The increase in tariff rates, coupled with the prohibitions of non-intercourse, threw us on our resources and resulted in the establishment of many new industries, which, in spite of the ravages of war, brought immense increase of national wealth and business activity.

In a special message to Congress, February 20, 1815, President Madison asked—

“Deliberate consideration of the means to preserve and promote the manufactures which have sprung into existence and attained an unparalleled maturity throughout the United States during the period of the European wars.”

The law of 1812 terminated on February 17, 1816, by its own provision, one year after the ratification of the Treaty of Ghent. Fearing that the duties existing before the war would not afford sufficient protection to the newly established industries, it was the determination of the leaders of the time that those duties should be increased in the new law of 1816; and the intention was to make the tariff a thoroughly protective one, yet it proved a failure, as the framers of that tariff had not anticipated the inundation of goods with which our country would be flooded from abroad and particularly from England because of the stocks that had accumulated there for several years. We, therefore, experienced our first great industrial depression, which lasted until 1824, when the first thoroughly protective tariff law was enacted, by which, in the words of the late President McKinley: “The nation was quickened into new life, and the entire country under the tariff moved on to higher triumphs in industrial progress, and to a higher and better destiny for all of its people.” In 1828 still higher duties were substituted. The operation of the law brought great dissatisfaction in the South, resulting in Nullification in South Carolina, which, however, was quickly suppressed by President Jackson. The agitation against the high duties of the 1828 tariff led to the compromise tariff of 1832, which provided for a gradual reduction every two years until only 20 per cent should remain. Long before the final reduction, however, the panic of 1837 came upon the country, bringing disaster on every hand and the greatest business depression which the country had up to that time known.



The election of the Whigs in 1840 was followed by the tariff of 1842—an adequate protection measure, and a revival of industry and prosperity immediately followed. But the Democrats again came into power in 1844, and under the leadership of the Secretary of the Treasury, Robert J. Walker, of Mississippi, a new law was framed in 1846 which remained in force until 1857, when the duties were further reduced and when another severe panic followed with accompanying distress to all phases of commerce and industry. This period from 1846 to 1860 was accompanied by the nearest approach to free trade in our history, and while the country enjoyed more or less progress and periods of prosperity in certain industrial lines, owing largely to demands abroad for our agricultural products, due to foreign wars and famines, yet in spite of these favorable conditions, the so-called Walker Tariff and tariff of 1857 brought widespread ruin to many of our industries and checked our industrial progress.

When the Republicans came into power in 1860, they were confronted with a country nearly bankrupt, with an empty Treasury, with industries prostrated, with expenditures exceeding receipts, and with an unfavorable balance of trade. Mr. Morrill, of Vermont, then Chairman of the Ways and Means Committee, framed a bill on protective tariff lines, which passed the House of Representatives on May 11, 1860, and the Senate in the early part of 1861, being signed by President Buchanan on March 2, 1861. It was really the first measure of any kind enacted by the Republican party, and since that law was placed on the statute books the Republican party has persistently and consistently advocated and enacted tariff laws which during their operation have not only afforded sufficient revenue, but have given ample protection to American labor and industry against the competition of cheaper labor abroad. This first law, due to the wisdom of Republican leaders, was in no way intended to be a war measure, and after the war broke out and during four years of its continuance, it was repeatedly amended to meet existing conditions. After the close of the war and during the years which followed numerous changes were made, reducing many of the high rates made necessary as revenue producers during the war period, but the Republican principle of protection was retained so long as the legislative and executive power remained in the hands of the Republican party.

The McKinley law enacted in 1890 was accepted by all Republicans and Protectionists as the best tariff law that had ever been framed up to that time. Under its operation the country was at the height of its prosperity and progress in 1892, when suddenly to the consternation of the industrial world a Democratic President was elected, and with him a Democratic Senate and House of Representatives. Anticipating the enactment of a tariff law largely for revenue only, a financial and industrial panic came over the country, which continued until it was arrested by the enactment of the so-called Dingley Tariff in 1897. Carrying out their threat, the Democrats framed and passed a low tariff bill in 1894, which became a law without the signature of the President and remained in force until July 24, 1897.

Since 1897 to the present time the Dingley law has been in operation, and under it the United States has shown a progress and prosperity never before known in the history of civilization. On other pages will be found detailed tables showing the changes from year to year in the various phases of our industrial life, in our foreign trade and domestic production, and in the state of the Treasury, and these tables will vindicate to the very last degree the wisdom of the Republican party in framing what has been without question as nearly perfect a tariff law as it was possible to frame to meet equitably the needs of all sections of the country, all classes of people, and all diversified industries. To show compactly what progress has been made under the Dingley law the following tabulation is given. The 1896 is taken as the last full year of the Cleveland Free Administration, and 1907 is taken as the last full year for the figures are available.

# THE TARIFF.

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Conditions in 1907 compared with those of 1896.

Population.	1896.	1907.	Increase per cent.
Population	70,254,000	85,817,289	22.15
Money in circulation	\$1,506,434,986	\$2,772,956,455	84.07
Bank clearings	\$51,935,651,733	\$154,662,515,258	197.80
National banks deposits	\$1,668,413,508	\$4,322,880,141	159.10
Savings banks deposits	\$1,935,460,468	\$3,495,410,087	80.59
State banks deposits	\$395,659,914	\$3,008,649,890	341.11
Receipts of the Gov't (net ordinary)	\$326,976,200	\$663,140,334	102.81
Expenditures	\$352,179,446	\$778,903,748	64.38
Imports	\$779,724,674	\$1,434,421,425	83.97
Exports	\$882,606,938	\$1,880,851,078	113.10
Exports of manufactures	\$258,008,885	\$740,123,451	186.86
Farm products	\$41,250,000,000	\$7,500,000,000	76.38
Value of farm animals	\$1,727,926,084	\$4,331,230,000	150.66
Corn (farm values)	\$191,006,967	\$1,336,901,000	172.28
Wheat	\$310,602,539	\$554,437,000	78.50
Oats	\$132,485,033	\$334,568,000	152.53
Cotton	\$291,811,564	\$721,647,237	147.30
Hay	\$388,145,614	\$743,507,000	91.55
Coal mined	171,416,390 tons	369,733,284	115.72
Pig iron manufactured	8,623,127 tons	25,781,861	198.88
Steel	5,281,689 tons	23,398,136	343.00
Tin plate manufactured	359,209,798 pounds	61,293,738,880	260.16
Domestic cotton consumed	2,505,000 bales	5,005,000	95.80
Sugar consumed	1,960,086 tons	2,993,978	52.75
Railways	182,769 miles	222,635	21.81
Freight carried by railways	773,868,716 tons	1,610,099,829	108.06
Post-office receipts	\$82,499,208	\$183,585,006	122.53

a Department of Agriculture estimate for 1897. b 1908. c 1906.

To show in brief the important changes and revisions of the tariff during our history and their result, the following summary is given, beginning with the tariff of 1812, the first important revision following the first law of 1789.

## Important tariff revisions.

Law or	Reason for revision.	Time consumed.*	Nature of change.	Result.
1812	War	No debate.	Rates doubled.	Beneficial.
1816	To provide new rates after repeal of war duties.	39 days.	Moderate protection.	Disastrous.
1824	Ruinous condition of industries.	4½ months.	Substantial increase.	Beneficial.
1828	To increase prosperity	4 months.	Further increase.	Do.
1832	Conciliation	6 months.	Decrease	Injurious.
1833	Compromise to save the Union.	2 months.	Do.	Disastrous.
1842	To save our industries	5 months.	Increase	Beneficial.
1846	To satisfy the Southern free traders.	3½ months.	Free trade and ad valorem duties.	Ruinous.
1857	To decrease the revenue and still further satisfy the South	6 months.	Further decrease.	Bankruptcy.
1861	First Republican tariff for revenue and protection.	11 months.	Increase	Beneficial.
1861 1862 1863 1864 1865	To meet requirements of war.	Passed promptly.	General increase.	Do.
1867	To help wool and woolen industries.	7 months.	Upward changes.	Do.
1870	To establish new industries, especially iron and steel.	4 months.	\$28 per ton on steel rails.	Do.
1872	To conciliate "reformers."	3 months.	10 per cent reduction.	Injurious.
1875	To correct act of 1872.	1 month.	Repeal of 10 per cent reduction.	Beneficial.
1882	To conciliate revisionists.	2 months.	Reduction and increased free list.	Injurious.
1890	To meet existing conditions.	5½ months.	Increase and specific rates.	Beneficial.
1894	To try free trade.	8 months.	Large reduction, free wool, etc.	Ruinous.
1897	To provide revenue and to protect our failing industries.	5 months.	Substantial increase.	Beneficial.

\* This is the time of actual debate and passage, exclusive of time spent in agitation, hearings, and preparation.



The tenets of the Democratic party being to the effect that a tariff should be for revenue only, while many of the leading Democrats advocate absolute free trade, it is not difficult to draw the line between the two parties and foretell what would be the result of a change in our system, which has been so successful, so thoroughly tried, and so fully vindicated. Every prominent industrial country on earth except one has resorted to the protection of their labor and industries, and it is thought that within a few years even Great Britain, the only free trade country on earth of any importance, will change her fiscal policy and again adopt the system of protection. It would be folly then for the United States to abandon a system under which she has thrived to an unparalleled degree and adopt a system discarded by practically every other nation and competitor in the world's markets.

Perhaps the most persistent complaint made against the protective tariff is the cry that the tariff is the "Mother of Trusts," to use the careless words of a departed monopolist.

Trusts, however, are not a product confined to the United States or to protective countries, as Free Trade England is covered with them from one end of the country to the other; in fact, they were in force there long before they were in the United States. There may be combinations of capital or labor and associations of corporations and communities of interests that are for the best interest of all concerned, and there may be those which are inimical to the welfare of a part of the people and which give advantage to another part. The question must be studied and considered and handled entirely apart from the tariff.

Regarding the charge that under our protective system our manufacturers are selling goods abroad cheaper than at home, it may be said that this universal principle of business, of production, and markets, is indulged in to a far less degree in the United States than abroad, and at no time to the injury of the American laborer. We also sell many things abroad at a larger price than we do at home. We sell things according to the markets, according to prices, according to supply and demand, according to the universal principle of competition, but always to the advantage of the American laborer, who reaps a higher reward for his labor than can be found elsewhere on the face of the earth. While it is possible that a fraction of 1 per cent of our goods sold abroad now may be at a price less than at home, it can be stated without fear of successful contradiction, that under free trade we would lose our splendid home market and be obliged to seek foreign markets in competition with the cheap labor of the world, without profit to our manufacturers or suitable wages to our workmen.

The export discount bugbear does not any longer deceive the American laborer, for the American voter and the American workingman prefers to see our factories running 12 months a year instead of being shut down for two or three months, and a stock of surplus goods piled up in warehouse. These two principal objections that the Democrats make to the operation of our protective system, viz, that it fosters trusts and enables us to maintain profitable prices at home, have been shattered time and time again. Opposed to them are the many favorable and successful results which have come to our great country during the past half century, and particularly during the last decade under the operation of a fiscal system which limits the importation of competitive products to displace the goods that should be manufactured by our own people.

Of the many satisfactory reasons for maintaining a protective tariff, the greatest of course will be that of the high wages insured to the American workingman. Tables showing the wages of labor in the United States and other countries are published on another page of this volume, though these are scarcely required since there is not an intelligent man living to-day who does not know that the American workman is two and three times, and even quadruple the wages of tariff countries. There is no man but who knows that the standard of living of the American laborer is higher than other country, that he not only gets more money in

wages, but far more comforts at home, that his family is better housed, better fed, better clothed, better educated, enjoys more of the conveniences and comforts and luxuries of life than is ever dreamed of by the average laborer of Europe. So long as the Republican party remains in power there will be no abandonment of an industrial system made possible by tariff law that will maintain this standard of living to the American workmen.

Another reason why we should continue our tariff on protective lines is that it gives us a surplus in the Treasury. Under the operation of the Dingley law, since the Spanish war our receipts have exceeded our expenditures by nearly \$3000,000,000. It is possible that a deficit may come for a single year or two, due to a temporary depression in business or to extraordinary expenditures, but this will undoubtedly adjust itself and with a large surplus for just such an emergency, there need be no alarm, because in a single year or even a two year period the expenditures may exceed our receipts. Our government receipts consist almost wholly of customs duties and the so-called internal revenue, and this internal revenue must depend largely upon the prosperity of the people, upon their purchasing power; and being derived almost wholly from a tax upon luxuries, it must depend almost as wholly upon a surplus wage fund maintained over the expenditures for the necessities of life. The internal revenue then is most directly associated with the tariff, for the reason that if duties are lowered and foreign goods are allowed to come into the country, displacing American products and making idle American workmen, the internal revenue will immediately fall off in proportion. As regards the claim which the Democrats and free traders advance, that a lowering of duties will result in increased importations and increased revenue, the opposite has always been shown to be the result. Although for a time the purchase of foreign goods might increase, yet when the people become impoverished from lack of work and lack of wages, their purchasing power is reduced, no matter how cheap the articles may be. Protection then insures adequate revenue, without resorting to direct taxation, which has always been obnoxious to the American people, and which will not be resorted to, unless to meet the exigencies of war.

Another argument which the Free Traders and Democrats are delighted to indulge in has been that if we do not buy we cannot sell. In the eleven years of the Dingley tariff our sales abroad have practically doubled and we are to-day in the first rank as an exporting nation, and during this time our favorable balance of trade has exceeded four billion dollars. These foreign markets which we have been gaining against the competition of the great industrial nations of the earth, we have gained without sacrificing any portion whatever of our splendid home market, which is the envy of the civilized world.

The tariff planks of the Republican and Democratic platforms since 1856 are printed on another page of this volume, as shown by the index.

Following these various changes the general statement can be made that whenever in our history the tariff has been reduced in whole or in part, a business depression has followed, and in many cases most severe commercial and industrial panics. The general statement can also be made that in every instance where the tariff has been increased, or a higher duty placed upon any article, prosperity has followed in general throughout the country, and the particular article or class of articles to which protection was given or upon which the protection was increased showed a most substantial advancement. Besides the general revision shown in the preceding table there have been at various times changes in our tariff schedules, not affecting the entire list of articles. The various tariff laws are shown in detail in the following table:

#### Our Principal Tariff Laws.

Date of such act.	Character of the bill and other remarks.
1789, July 4....	Specific and ad valorem rates, latter from 5 to 15 per cent.
1790, August 10..	Specific and ad valorem rates, latter from 3 to 15½ per cent.

the various articles affected by the tariff upon which changes in rates of duty are desirable."

In the House, on May 16, Mr. Payne, from the Committee on Ways and Means, moved the passage of the following tariff resolution: "Resolved, That the Committee on Ways and Means is authorized to sit during the recess of Congress and to gather such information, through Government agents or otherwise, as to it may seem fit looking toward the preparation of a bill for the revision of the tariff; and said committee is authorized to purchase such books and to have such printing and binding done as it shall require, and, in addition to requiring the attendance of the committee stenographers, is authorized to employ an additional stenographer, and to incur such other expenses as may be deemed necessary by said committee; and all the expenses of said committee shall be paid out of the contingent fund of the House, on the usual vouchers, approved as now provided by law." The resolution was agreed to by a strict party vote of 154 yeas to 92 nays.

The platform adopted at Chicago by the National Republican Convention and the pledge made in the tariff plank will be faithfully kept by those selected to make our laws, in the next session of the 60th Congress or in the first session of the 61st Congress; but in the light of history and with the experience we have had for 120 years, and the record of the Republican party on this subject, there can be no doubt that the new tariff will be a measure fully protective in principle and framed with a view to meet the requirements on an equitable basis of every section, every class, and every industry.

#### **Cause of the Growth of Protection Sentiment at Home and Abroad.**

The primary idea in levying a tax upon merchandise entering a community or State was to require persons from abroad trading in that community to bear their proper share in the public expenditures. The tranquillity and order of the community, and hence its commercial possibilities, were maintained by the government, for whose support the local producers and merchants were taxed, and it was held that merchants from abroad desiring to enjoy the privilege of trading in that community should contribute their proper share to the maintenance of the government, which assured commercial privileges, and that they should contribute a relatively larger percentage of the value of the merchandise sold than was required of the local dealer, because the foreign merchant carried away with him his profits, while the domestic producer or dealer expended his profits in the home community in the support of his family or in the employment of other members of the community. Hence the tariff—a tax upon merchandise entering a community from abroad.

#### **Danger from Outside Competition Constantly Increasing.**

Originally the danger to domestic industries from foreign competition was much less than at the present time. Merchandise brought into any country from abroad must first bear the cost of transportation, and in times when the cost of transportation was great, and when goods were necessarily transported by animal power and by sailing vessels only, this high cost of carriage was of itself a protection to the domestic producer in any country. True, the producer of merchandise just across the border line of a country had an enormous advantage over the producer a thousand or five thousand miles distant, but as only a small proportion of the producers were located near to the border line such countries did not find it necessary to establish tariffs to protect their own producers or manufacturers. The distance which foreign goods must be carried and the cost of transportation over that distance alone serve to create a high wall for the domestic producer. In late years these advantages of distance and transportation have absolutely disappeared. The railroad and the modern steamship have reduced the cost of transportation compared with that in the early part of the middle of the century just ended; while the telegraph and the telephone have annihilated distance and time.



Merchandise from the interior of Europe, ordered by telephone, telegraph, and cable, transported from its place of production by trolley road, canalized rivers, or boats operated by steam or electricity, or by railway to the Atlantic, and thence by great steamships, built to carry hundreds of carloads at a single voyage, across the ocean, and again transported to the interior of the United States by the cheapest land transportation ever known to man, can be placed at the door of the consumer in the Mississippi Valley for a very small percentage of the cost of transporting the same at the middle of the last century.

#### Cheap Freights Have Destroyed Natural Protection.

As a result the protection which distance and the cost of transportation afforded to the local producer has disappeared, and without a protective tariff, established by the Government, he has as his direct competitor the low-priced labor of any and every part of the world. The cheap labor of the densely populated countries of Europe, the 140 million low-priced workers of Russia, the 300 million people of India, whose average wage is but a few cents per day, and the 400 million workers of China are to day as much the competitors of the workman of the United States as though they were located but just across the border. Modern methods of transportation and communication have brought these great masses of producers to our very doors, and without the protection which the tariff affords would place that cheap labor in as close competition with our own as it would have been a half century ago if located but a hundred miles away.

As an example of the reduction in cost of transportation may be cited the fact that the annual average freight rate on wheat from Chicago to Liverpool, by the cheapest method of transportation, in 1873 was 40 cents per bushel and in 1903 8 cents per bushel, or but one-fifth that of only 30 years earlier. Comparing conditions now with those of the early part of the last century the reduction is still greater, and the cost of transportation at the present time may safely be said to be less than one-tenth of that then existing. An illustration of the reduction in cost of transportation through modern methods is found in the fact that the census of 1880 showed that the railways could transport a ton of wheat for a given distance as cheaply as a single bushel could be transported the same distance by horse power, and railway rates have fallen practically one-half since that time. That high authority the *Encyclopedia Britannica* states in its 1903 edition that the mechanic in Liverpool *may now pay with one day's wages the entire cost of transporting a year's supply of bread and meat for one man from Chicago to that city.*

These facts illustrate how completely modern methods have destroyed the protection which the local producer formerly had against foreign competitors, and explain the reason why modern governments have found it necessary, one by one, to adopt the protective system, until now many men in the most ardent and chief remaining supporter of the nonprotective system, the United Kingdom, are seriously discussing the adoption of a protective tariff. This gradual destruction of the natural protection formerly afforded by distance and cost of transportation accounts for the fact that it has been found necessary to maintain the protective tariff on the various industries as they have developed, and that this necessity for maintaining protection for those industries has meantime been recognized by all other leading manufacturing countries of the world whose industries were developed even before those of the United States, except in the case of the United Kingdom, whose people are now clamoring for a return to protection of their long established domestic industries. This reduction in cost of transportation is indeed one of the chief causes of the steady movement toward protection which has characterized the history of the world during the last half century. The fact that, with improved methods of transportation and a narrowing of distances and cheapening of cost of transportation, the whole world has become the next-door neighbor of each community

has compelled that community to establish tariff duties of a character which would reduce the competition offered by the cheap labor of those communities against which distance no longer affords protection.

Practically all of the 500,000 miles of railway and 16 million tons of steamship tonnage with which the world is now supplied have been created since the middle of last century; the world's international commerce has quadrupled while the world's population was increasing but 50 per cent, and during that very period the nations of the world have one by one found it necessary to establish tariff protection to take the place of that protection which distance and high cost of transportation formerly afforded.

#### **Trusts Have Long Flourished in Free Trade England.**

No one familiar with the history of trusts and great combinations in other parts of the world can for a moment accept as accurate the assertion that the tariff is responsible for the existence of organizations of this general character, whether under the title of trusts or otherwise. Mr. Blaine, in 1888, on returning from a visit to Europe, declared in his speech opening the Presidential campaign of that year that trusts and combinations to control prices even at that early date existed in free-trade England in large numbers; or, as Senator Dolliver has recently expressed it, "England was even then plastered all over with trusts." In October, 1895, a steel-rail trust which embraced the steel-rail manufacturers of Great Britain was organized, and on February 5, 1896, the London Ironmonger announced the details of its agreement, the chief among them being that "there is to be no underselling." In 1895 the Sheffield Telegraph published the draft of a scheme proposing the combination of 200 iron firms in the various cities of England for the purpose of regulating the prices of all classes of iron. In 1897 the details of the combination between the great armament manufacturing firms were announced. Some of the great combinations in England for the control of prices of articles in common use were organized as early as 1890, among them the following: The Salt Union, Limited, with a capital of \$10,000,000; in the same year, the Alkali Company, combining 43 manufacturing establishments, with a capital of \$30,000,000; the J. & P. Coates Company, thread manufacturers, in 1896, a combination of four businesses with a capital of \$27,000,000; another cotton thread organization, a year later, combining 15 manufacturing establishments with a capital of \$14,000,000; a combination of cotton spinners in 1898, combining 31 establishments with a capital of \$30,000,000; in the same year a combination of the dyeing interests, combining 22 establishments with a capital of \$22,000,000; also in the same year a combination of the Yorkshire Wool Combers, combining 38 establishments with a capital of \$12,000,000; also in 1898 a combination of 60 calico printing establishments with a capital of \$46,000,000; in 1900 a combination of 28 wall paper manufacturers with a capital of \$21,000,000, and in the same year a combination of 46 establishments of cotton and wool dyeing organizations with a capital of \$15,000,000. In the decade 1890-1900 the public announcements of combinations in free-trade England included 328 different business concerns amalgamated into 15 great organizations with a total capital of \$330,000,000, while a very large number of minor organizations and those which were not made public should be added to the list to render it complete. Many great combinations have been organized in free-trade England since 1900, but this history of the decade in which great combinations of capital of this character have been common in all parts of the world where manufacturing capital is plentiful is sufficient to show that such combinations and organizations are not confined to protection countries, but on the contrary flourish with equal vigor in the one free-trade country of the world in which a sufficient amount of capital exists to justify the organization of combinations of this kind.

**Export Price Reduction in Free Trade England.**

Exportation at prices below those of the home market is not in any sense the result of or accomplished by the aid of a protective tariff. It is practiced more freely in free trade Great Britain than in any other country. United States Consul Rufus Fleming, writing from his post in Edinburgh, Scotland, in an official report on this subject says:

"It is the policy of British manufacturers to maintain prices in the home market at the highest possible level and to make whatever concessions may be necessary in foreign markets," said the managing director of a leading British metal-working company to me. He referred to the industries in general, excepting such as are based largely upon the manufacture of low-grade goods for the foreign trade. There can be no doubt that this manufacturer spoke with full knowledge of the subject. His opinion is corroborated by investigation in various departments of production. *Cutting prices in foreign markets* to meet competition, or to prevent competition, as the case may be, is a common practice, the length to which it is carried depending altogether on circumstances, chiefly on stocks and labor conditions. When a considerable surplus remains on the hands of the producer the effort is to avoid overloading the home market and thus reducing the price of the bulk of the product to sell the surplus in foreign countries at the best price obtainable.

"At all times, even when great trade conditions at home and abroad are excellent, it is the rule in British industries to quote lower prices to foreign buyers and British exporters than to the average domestic trader. The difference in favor of the foreigner or exporter ranges from 4 to 6 per cent. The British maker of an important machine informs me that, although he has no competition, he quotes the machine to customers in Belgium and one or two other countries on the Continent at 15 per cent less than the price at which it is sold in this country. The reason is that these Belgian and other Continental firms will not pay more than a certain amount for it, and he comes to their terms in order to obviate the danger of competition arising from the invention and manufacture of a similar apparatus in Belgium or elsewhere. He told me that he would sell abroad, in the present state of trade, at any price he could get above cost. Another example of sales made in a foreign market at much below home prices has fallen directly under my notice. I have seen invoices of a British firm of steel wire manufacturers to German buyers in which the prices were fully 20½ per cent lower than the prices quoted to home customers. This reduction was not due to an extraordinary surplus, but principally to a determination to put a certain line of goods into a competitive market.

"There are few manufacturers whose business in foreign competitive markets is not regularly conducted on the plan of getting the goods off their hands at a profit if possible and at cost if necessary. It may be doubted if price lists and discount sheets are anything more, outside of the home market, than aids to bargaining, except in seasons of very marked activity at home. In most trades the one fixed purpose is to not reduce prices to British consumers until forced to do so. As one manufacturer expressed it to me, 'This is the very root of success in all commercial business—to hold what you have and gain what you can.'

"Overproduction is an evil no less frequently observed in Great Britain than in Germany and the United States. A well-known English writer on economic subjects, who belongs to the Manchester school, said to me in a recent conversation that it was distinctly true, as stated in one of his works on trade relations, that overproduction, although not (in his opinion) so widely diffused here as in the United States, was a difficult recurring factor in the commercial problem; that *'the British manufacturer, under such circumstances, recognizes the inadvisability of flooding his own markets with cheap commodities, which they will require time to digest, thus deferring the period when he can supply them again profitably, and therefore*



he sells the surplus to foreign countries at a loss.' He added that 'there is scarcely a tariff wall in existence that the British manufacturer will not climb over at such times.'

"This political economist looks upon the foreign trade as distinct from the domestic trade, to be handled by each producer as circumstances seem to demand, especially in periods of over-production. To the same effect a prominent brewer, an ex-member of Parliament, said: 'I have been dumping ale and beer on foreign markets all my life whenever I have had a surplus. Practically every manufacturer in this country sells his goods abroad for the best price they will bring when his stock is too heavy to be unloaded at home in a reasonable time without breaking the market.' As I have before indicated, this statement of British commercial practice is, in my opinion, unquestionable."

United States Consul Samuel M. Taylor writes from Glasgow, Scotland: "Generally speaking, manufacturers of soft goods (cottons, etc.) have one price for domestic and export trade, and surplus stocks are avoided by limiting the output, even to the extent of closing the works. However, if there is a surplus, 'odds and ends,' it is exported at reduced prices. In the iron and steel trade, however, it is different. Manufactured steel for export is sold at from 5 to 10 per cent, less than for domestic use, and even at a greater reduction. In other words, the cost of transportation to a foreign country where competition is brisk is largely assumed by the British exporter or manufacturer by means of this reduction, and even England is treated as foreign by the Scotch manufacturer and gets reductions accordingly. The Scotch manufacturer neither expects nor receives the same profits on his exports to foreign countries that he obtains at home. The same statement applies largely to machinery. In Scotland a combination at present exists which fixes the price of steel plates for the whole of Scotland, but gives the members of the combination power to sell in other districts than Scotland at whatever prices they choose. In the coal trade, in the words of my informant, 'it is well recognized that foreign consumers can buy cheaper than home consumers, the reason being that colliery proprietors could not dispose of their product with the regularity and in the quantity necessary to maintain a large output unless they sold cheap and granted facilities to the foreigner.' "

#### Export Price Reduction in Foreign Countries.

Judge E. H. Gary, Chairman of the Board of Directors of the U. S. Steel Corporation, in a statement before the House Committee on Merchant Marine in April, 1906, said: "The Great Britain home price of rails is \$31.50 per ton and the export price of Great Britain is \$25, f. o. b. their mills. In Germany the home price is \$30 and the export price \$24; in France the home price is \$31 and the export price \$25.50; in Austria the home price is \$31 and the export price \$25.50; in Belgium the home price is \$30 and the export price \$24; in the United States the home price is \$28 and the export price about \$26.60. There is less margin in this country than anywhere else, and the home prices abroad, you will observe, are invariably larger than our home prices.

"Now, take structural material, including shapes, plates, bars, angles and tees. In Great Britain the home price is \$1.60 per 100 pounds and the export price \$1.35; in Germany the home price is \$1.50 and the export price \$1.25; in France the home price is \$1.65 and the export price \$1.35; in Austria the home price is \$1.50 and the export price \$1.35; in Belgium the home price is \$1.55 and the export price \$1.35; in the United States the home price is \$1.60 and the export price \$1.40. Our price of plates lately has slightly increased because of the demand. Our customers generally, however, are covered for the season at about \$1.40. These figures are taken from authoritative sources and I think there is no doubt that they are reliable. They are the figures upon which we are doing our business right along every day."

"If you did not have this avenue of export trade by which you could dispose of the surplus product which is in excess of

the domestic demand," said Representative Littlefield, "you would either have to stop producing and therefore lose the use of your mills and sustain a loss in that respect, or you would have to carry the surplus product on hand until the demand was created for it elsewhere?"

"Yes; but I do not think it would be practicable to manufacture and carry the surplus; it runs into money so fast. I think we would have to shut down our mills, and you know what that means in the disorganization of forces. So it really comes to this: That we would be obliged to increase the cost of manufacture if we could not run at full capacity. That would be the inevitable result."

#### English Attitude Towards Trusts.

The United States Industrial Commission made a thorough investigation of trusts and trust operations in foreign countries as well as in the United States in 1900, sending an expert (Prof. J. W. Jenks, of Cornell University) to the principal European countries and giving the subject much careful attention and study. The report stated that "there is a strong tendency toward the formation of industrial combinations everywhere in Europe," and of the situation in England says: "There were in earlier days very many local combinations to keep up prices, and in some cases these rings have proved very successful. Within the last three years a very active movement toward the concentration of industry into large single corporations, quite after the form that has been common in the United States, may be observed. Nearly all the feeling that one notes in England on this subject has reference to the later corporations formed by the buying up of many different establishments in the same line of business—corporations that through combination have succeeded in acquiring in many particulars a good degree of monopolistic control. \* \* \* Industrial combinations in Europe do not seem to have awakened the hostility in any country that is met with in the United States. In England one finds in the papers a little expression of fear of the newer large corporations. The Government has taken no action whatever regarding them further than to pass, August 8, 1900, an amendment to the Companies Act, which provides for greater publicity regarding the promotion and the annual business of corporations than before. \* \* \* There is, relatively speaking, little objection to combinations in Europe, and in some cases the governments and people seem to believe that they are needed to meet modern industrial conditions. They do believe that they should be carefully supervised by the Government and, if necessary, controlled. \* \* \* The great degree of publicity in the organization of corporations has largely prevented these evils arising from stock watering, and has evidently had much effect in keeping prices steady and reasonable and in keeping wages steady and just. There seems to be no inclination toward the passage of laws that shall attempt to kill the combinations. This is believed to be impossible and unwise. Laws should attempt only to control, and that, apparently, chiefly through publicity, though the governments may be given restrictive power in exceptional cases."

#### Effect of Protection on Export Trade.

One of the assertions made and offered as an argument against protection is that high tariffs established by a country lead other countries to discriminate against the products of that protection country and exclude them from their markets, either by adverse legislation or otherwise. Let us see about this. "The proof of the pudding is in the eating." The proof of the effect of protective tariffs upon the export trade of the countries having such protection is found in the measure of the actual growth of their exports as compared with the growth of countries not having a protective tariff and offering in the world's markets the same class of goods as those offered by the protection country. The United States Bureau of Statistics has recently published a Statistical Abstract of the World, which

gives the exports of domestic products by each of the principal countries of the world during a long term of years. It is easy, then, to compare the growth in exports by the countries having a protective tariff with that of the single remaining nonprotected country—the United Kingdom. The two most strongly marked examples of protective tariff countries are Germany and the United States, and the chief free-trade country of the world is the United Kingdom. These three countries are also especially suitable for contrast in the effects of their respective tariff policies upon their export trade by reason of the fact that they are the chief competitors for the great markets of the world and the only countries of the world whose annual exports reach or pass the billion dollar line, each of these countries exporting annually more than one billion dollars' worth of merchandise, while no other country of the world has ever exported so much as one billion dollars' value of domestic products in a single year. Let us see, then, what the effect of protection has been upon sales abroad by the United States and Germany, the world's most conspicuous examples of protective-tariff countries, as compared with the effect of free trade upon exports from the United Kingdom, the world's most marked example of low-tariff countries. The Statistical Abstract, above referred to, compiled from the official figures of the countries in question and issued by the Bureau of Statistics, shows that the exports of domestic products from free-trade United Kingdom grew from 1,085 million dollars in 1880 to 1,828 millions in 1906, an increase of less than 70 per cent; while those from protection Germany grew from 688 millions in 1880 to 1,364 millions in 1905, an increase of over 100 per cent; and those from protection United States grew from 824 millions in 1880 to 1,854 millions in 1907, an increase of 125 per cent. This certainly does not justify the assertion that other countries discriminate against and reject the merchandise of the country having protective-tariff laws and favor that of countries having free trade.

While of course the general law of supply and demand influences in a greater or less degree the volume of exports from year to year, the experiences above cited are sufficient to clearly indicate that the existence of a protective duty on imports does not result in an exclusion of our exports by other countries, since our exports have increased enormously during the operation of protective tariff laws.

#### Exports Under the United States Tariff.

Another and even more striking illustration of the growth of exports under low tariff and protection, respectively, is found in a study of the detailed history of the tariffs and export trade of the United States. The only protective tariffs which the United States had prior to 1861 operated during the years 1813-16, 1825-33, and 1843-46, an aggregate of 17 years prior to 1861. Since that time protective tariffs have covered the years 1861-94 and 1897-1908, making the total of the period covered by protective tariffs 62 years, against 57 years of low tariff, counting the formative period from 1790 to 1812 as low tariff. Thus the history of the United States under the Constitution is about evenly divided between protective tariff and low tariff. Now, let us see the result in its effect upon our exports during those two great periods of protection and low tariff—62 years of protection and 57 years of low tariff. During the 57 years of low tariff the imports exceeded the exports by \$514,954,931; during the 62 years of protective tariffs the exports exceeded the imports by over 5 billion dollars. These statements are compiled from official reports of the United States Bureau of Statistics and their accuracy can not be called into question. Does this look as though protective tariffs had the effect of reducing or destroying the export trade?

#### The Danger of European Combinations Against the United States on Account of Our Tariff?

It has been made from time to time that European nations, likely, by reason of the high protective tariff in this country, to enter into an agreement for the exclusion



of our products from their markets. This assertion has been made over and over again for years, but more especially in comparatively recent years. But such action seems highly improbable, for the following reasons: 1. The countries in which these threats of retaliation are most frequently heard are themselves, in all cases except the United Kingdom, protective-tariff countries, and it is unlikely that they would seriously and through official action complain of a protective tariff established in any other country. 2. The European countries can not afford to exclude our staple products, which are required in such large quantities by their people and which would advance in price in their markets if the supply from the world's largest producer were cut off. 3. The exclusion of these necessary products from the United States would necessitate their importation from other countries, and by reducing the supplies in these other countries would make markets for our products in those countries drawn upon or in other countries from which they had been accustomed to draw their supplies. 4. Experiments of this kind for the exclusion of our meats from certain European countries have not resulted in a reduction of our total exports of meats and other provisions. 5. The countries which have complained most bitterly of the tariff of the United States have steadily and rapidly increased their importations of our products meantime. 6. During the very period in which the talk of exclusion from European countries of American manufactures have been made, our exports of manufactures to those countries have most rapidly increased.

As to the first proposition, it is from the European countries that the threats of retaliation against the protective-tariff laws of the United States are most frequently heard. Yet all of the leading countries of Europe, with the exception of the United Kingdom, have within comparatively recent years adopted protective-tariff systems and in most cases are now increasing or proposing to increase their rates of duty for the avowed purpose of making their tariffs more thoroughly protective. In the case of the United Kingdom, the only European country of importance not having a protective tariff, the adoption of a protective system is being strongly urged. It seems highly improbable that a country officially adopting a tariff system with the explicit purpose of protecting its own industries would complain of like action on the part of any other country, even if the rates which that country imposes were higher than those which it imposes.

#### Retaliation a Boomerang.

The European countries in question are large consumers of the great products of the United States—cotton, wheat, corn, meats, and other forms of provisions—as well as of manufactures. The United States is the world's largest producer of every one of these articles. She produces three-fourths of the cotton of the world; three-fourths of its corn; three-fifths of the wheat entering the European markets from extra-European countries; and two-fifths of the meats which enter into international commerce. The European countries, with possibly one or two exceptions, do not produce a sufficient supply of these articles for their respective home markets. They must buy them in large quantities from some other part of the world. One important effect of excluding from their markets the products of the world's principal source of these various articles must be to increase in their home markets the prices of those articles. If through concerted action by these countries three-fourths of the world's supply of cotton (produced in the United States) were excluded from their markets naturally the price for the remaining one-fourth of the world's cotton, wherever produced, would advance greatly, and this principle would apply in the exclusion of any of the great products of which the United States exports a sufficiently large percentage to make absence of its product a factor in determining prices. Imagine the effect upon the price of wheat if three-fifths of the extra-European supply for European markets were destroyed in a single hour or day. Imagine the effect upon prices of meats if 40 per cent of the world's available supply for the international trade were wiped

out of existence. Note the effect upon the price of cotton due to a small shortage in the crop of the United States, and consider what would be the effect if all of the cotton supply of the United States—three-fourths of that which the world produces—were shut out of the markets demanding that cotton.

Even if certain countries were to exclude the great products of the United States from their markets they would be compelled to draw their supply from some other country or countries, and the products of the United States would find her markets in those countries thus drawn upon or in the countries to which they had formerly furnished their surplus. The world's production of the requirements of man—cotton, corn, wheat, provisions—is no more than the quantity required by the various parts of the world which are now brought into such close commercial relationship by reason of cheap transportation, and if through the exclusion of our products from certain countries the products of other countries were drawn upon to supply those markets our products would in turn find a sale in the other parts of the world thus affected by that change in supply. These great requirements of man for food and clothing, demanded as they are in every part of the world, and easily transported to any given spot, like water, seek their level, and the exclusion of our products from one country or group of countries would simply result in their finding markets in the spot from which those consuming countries might draw their supply.

#### Results of Experiments in Retaliation.

Certain experiments in the exclusion or attempt to exclude American products have been made in European countries during the past twenty years, and the effect of those experiments upon our sales of the articles in question is worth noting. Beginning about twenty years ago certain of the European countries began the exclusion of certain classes of meats from the United States, charging that they were dangerous to public health by reason of the presence of trichinæ in hogs, Texas fever and other diseases in cattle, and upon other but somewhat similar grounds. These rulings or legislation against American meats extended from country to country upon various pretexts during a series of years, down to a very recent date, proving in each case more or less a barrier against the meat products of the United States. They resulted in some cases in more stringent export regulations by the United States, and in some cases in a modification of the legislation or regulations in the country of importation, and the net result has been a steady growth in the exportation of provisions from the United States during the very period in question. The total value of provisions and animals for food exported from the United States in 1880, the approximate date at which this adverse movement against provisions from the United States began, was 130 million dollars, and 237 millions in 1907, a growth of more than 100 million dollars in exports of provisions and live animals for food purposes during the very period in question, and a very large proportion of this growth was in exports of those articles to European countries.

Another evidence of the indisposition of other countries to attempt to exclude the required products of the United States from their markets is found in the fact that although a dozen of the great countries of the world simultaneously protested against the Dingley tariff act, no one of those countries excluded any of the products of the United States following the enactment of that law or even reduced by a single dollar the value of their purchases from this country. These protests, while not a joint action, and while relating in some cases to different features of the act from those complained of by other protesting countries, were practically simultaneous, and as the passage of the act without recognition of their protest was a simultaneous rejection by the United States of those protests, recurrence offered to them a special and unique opportunity for combined action in excluding our products from their markets. Yet not a single one of those countries took such action, no case did they reduce their purchases from the United States.

*On the contrary, our exports to every one of the 12*

countries have increased. Our exports to the 12 countries which protested against the act in question were in 1896 \$618,688,000, and in 1907 \$1,220,000,000, an increase of about 100 per cent as compared with 1896, the year prior to that in which these protests were made. (See table of countries protesting against Dingley law, and exports to them.)

Besides, the complete power of the United States to protect itself against retaliation must not be overlooked. The only countries from which there could be any possibility of danger are the leading industrial and commercial nations of Europe. Their policy is protective, so is ours. But if they are compelled to buy largely of our products from necessity, we buy largely of theirs from choice. We are among their best customers. What they buy of us are necessities; what we buy of them are chiefly luxuries. If they were to proscribe our products we could more easily proscribe theirs. So long as we maintain the protective policy we can defend ourselves; the more we advance towards free trade the fewer weapons of defense we hold.

Thus, both the logic of the situation and our actual experience with adverse legislation and threats of such legislation fail to justify the assertion that our products of any class are being excluded or are likely to be excluded from the markets of other countries by reason of our protective tariff.

#### **Our Exports of Manufactures Gain More Rapidly than those of Natural Products.**

To the argument that the world must have our natural products and hence our freedom from danger of adverse combinations against them an answer might be made that our chief concern is in the exports of manufactures. True, but has the existence of our protective tariff affected adversely our exports of manufactures? The exports of manufactures in the fiscal year 1897, the last year under the low tariff Wilson law, were 311 million dollars; in 1907 they were 740 million dollars, an increase of about 150 per cent. During that same period the exports of all articles other than manufactures increased from 721 millions in 1897 to 1,114 millions in 1907, an increase of about 50 per cent. Thus our exports of manufactures have increased about 150 per cent and those of all other articles about 50 per cent during the existence of the highly protective Dingley law.

#### **Protective Tariff as a Revenue Producer.**

In the matter of revenue the contrast between low and protective tariff is equally striking. In the 57 years of low tariff no less than 22 of the total showed an excess of expenditures over receipts by the Government; while in the 62 years of protective tariffs 46 of the total showed an excess of receipts over expenditures. Of the 16 years under protective tariffs in which the expenditures exceeded the revenues no less than nine were war periods, when, necessarily, expenditures exceeded receipts from ordinary sources, while in only two of the years in which deficits occurred under low tariffs could that deficiency be charged to war conditions. The war of 1812-14, the civil war, and the war with Spain all occurred during protective-tariff periods; while the war with Mexico occurred during a low-tariff period. (See statement and table on this subject on another page of this volume.)

#### **TARIFF AGREEMENT WITH GERMANY, JULY 1, 1907.**

In 1906, a new tariff went into operation in the German Empire, constructed in accordance with the modern European method of tariff making. It consists of a so-called "general" or "autonomous" tariff, which is applied to imports from countries which have no commercial treaties with Germany, and a "conventional" tariff, comprising the reduced tariff rates which are granted to nations with whom such treaties are negotiated. The rates of duty imposed by the general tariff are much higher—



in many cases more than double—the “conventional” duties. In accordance with the terms of this tariff, Germany has negotiated reciprocity treaties with some ten European nations, and it is her intention to negotiate similar treaties with every nation in the world with which she has a commerce of any importance.

By the terms of her tariff act, the higher rates of duties would have automatically applied to all dutiable goods imported from the United States into Germany after March 1, 1906. The attention of the United States Government was drawn to this fact by a diplomatic note from the German ambassador, dated November 4, 1905, accompanied by a friendly expression of the desire of the German government to enter into a commercial arrangement with the United States under which the same treatment would be accorded to her exports to Germany as to those from other countries with which she had commercial treaties. As a result of the correspondence that ensued, a “Provisorium” was agreed to, and subsequently ratified by the German Reichstag, by the terms of which the application of the higher German tariff rates to American goods was postponed for one year and four months, pending the formal negotiation of a commercial agreement between the two countries.

To arrange the details of such an agreement, the President sent a tariff commission to Germany in November, 1906, consisting of S. N. D. North, Director of the Census; James L. Gerry, Chief of the Customs Division of the Treasury Department, and N. I. Stone, tariff expert of the Department of Commerce and Labor. This commission spent two months in Berlin in daily conference with a commission of twelve experts designated by the various departments of the German government. It brought back two tentative plans for the adjustment of the tariff differences between the two nations. One was a complete reciprocity treaty, framed in accordance with the terms of the German treaties with other countries. The alternative proposition, which was temporary in character, was signed by the President, June 1, 1907, and was subsequently ratified by the German Reichstag. Under its terms it remains in effect from July 1, 1907, until June 30, 1908, and thereafter for six months from the date upon which either nation shall have given notice of its intention to terminate the agreement. In other words, the agreement may continue indefinitely, while it is at the same time within the power of either nation, in the event that it does not operate to its satisfaction, to terminate it upon six months' notice.

Under the agreement about 95 per cent of the United States exports to Germany retain the benefit of the minimum tariff thereon. The articles affected include cereals, fruits, and other farm products, meats, lumber, boots and shoes, all sorts of manufactures of leather, paper, glass, iron and steel, all forms of electrical appliances, agricultural implements, machinery, arms, watches, etc.

It remains to summarize the concessions which the United States has granted in return. The agreement was negotiated under the provision of section 3 of the tariff act of 1897. Under a prior agreement with Germany, that country received all the concessions in the way of reduced duties permitted under this section, except the remission of 20 per cent of the duty on champagne. Champagne is a product of France, and not to any extent of Germany. The German manufacture of sparkling wines is insignificant and the concession to Germany, permissible under this item, only served the purpose of the basis upon which to hang certain modifications in the Treasury and Consular Regulations for the administration of our customs laws, as follows: That in all reappraisement cases the hearings shall be open unless the appraisers shall certify to the Secretary of the Treasury that the public interests will suffer thereby; that the “market value” of imported goods, whenever such goods are made and sold wholly for export, so that there can exist no domestic value established by sale, shall be the export price of the goods in question; that certificates of invoices issued by the German chambers of commerce, which are conducted under the supervision of the German government, shall be accepted by our appraisers as “competent evidence” (not necessarily con-

clusive), and considered in connection with all other evidence, whenever the appraisement of goods imported from Germany is under consideration; that all agents of the United States government sent to Germany in connection with the administration of the customs tariff shall be duly accredited to the German government, and certain other minor modifications in the consular regulations, the effect of which is to save exporters to the United States from personal appearance, duplicate invoices, etc.

#### Production and Prices of Bessemer Steel Rails in the United States.

The following table gives the annual production in gross tons of Bessemer steel rails in the United States from 1867 to 1907, together with their average annual price at the works in Pennsylvania, and the rates of duty imposed by our Government at various periods on foreign steel rails. Prices are given in currency.

[Note the pyramid of production, the inverted pyramid of prices, and the reduction in the duty.]

Years.	Gross tons	Price.	Duty.
1867	2,277	\$165.00	45 per cent ad valorem to January 1, 1871.
1868	6,451	158.46	
1869	8,616	132.19	
1870	30,357	103.79	
1871	34,152	102.52	
1872	83,991	111.94	\$28.00 per ton from January 1, 1871, to August 1, 1872; \$25.20 from August 1, 1872, to March 3, 1875; \$23.00 from March 3, 1875, to July 1, 1883.
1873	115,192	120.58	
1874	129,414	94.28	
1875	250,690	98.75	
1876	368,209	59.25	
1877	385,885	45.58	
1878	491,427	42.21	
1879	610,682	48.21	
1880	852,196	67.52	
1881	1,187,770	61.08	
1882	1,284,067	48.50	\$17.00 per ton from July 1, 1883, to October 5, 1890.
1883	1,148,709	37.75	
1884	996,983	30.75	
1885	959,471	28.52	
1886	1,574,708	34.52	
1887	2,101,904	37.08	
1888	1,386,277	29.83	
1889	1,510,057	29.25	
1890	1,867,837	31.78	
1891	1,293,053	29.92	\$13.44 per ton from October 5, 1890, to August 28, 1894.
1892	1,537,588	30.00	
1893	1,129,400	28.12	
1894	1,016,013	24.00	
1895	1,299,628	21.33	
1896	1,116,958	28.00	\$7.84 per ton from August 28, 1894, to date.
1897	1,644,520	18.75	
1898	1,976,702	17.02	
1899	2,270,585	28.12	
1900	2,381,654	32.29	
1901	2,870,816	27.33	
1902	2,935,392	28.00	
1903	2,946,755	28.00	
1904	3,137,957	28.00	
1905	3,193,347	28.00	
1906	4,791,457	28.00	
1907	4,350,025	28.00	

The question of tariff revision stands wholly apart from the question of dealing with the trusts.—President Roosevelt at Minneapolis, April 4, 1903.

No change in tariff duties can have any substantial effect in solving the so-called trust problem.—President Roosevelt at Minneapolis, April 4, 1903.

Anything that makes capital idle, or which reduces or destroys it, must reduce both wages and the opportunity to earn wages. It only requires the effects of a panic through which we are passing, or through which we passed in 1893 or 1873, to show how closely united in a common interest we all are in modern society. We are in the same boat, and financial and business storms which affect one are certain to affect all others.—Hon. Wm. H. Taft, before the Cooper Union, New York City.

One vital, dominating fact confronts the Democratic Party which no oratory, which no eloquence, which no storic can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

*Selling price of iron ore and price of pig iron at date of buying movement, 1894 to 1908.*

[Furnished by Mr. George Smart, Editor of the Iron Trade Review.]

Season.	Date of buying movement.	Season iron ore prices.				Iron prices. Valley.	
		Old range Bessemer.	Mesaabi Bessemer.	Old range non Bessemer.	Mesaabi non-Bessemer.	Bessemer.	No. 2 foundry.
1894-----	March 1, 1894-----	Dollars 2.75	Dollars 2.35	Dollars 2.50	Dollars 1.90	Dollars 9.65	Dollars 9.65
1895-----	April 1, 1895-----	2.90	2.15	2.25	1.90	9.40	9.40
1896-----	May 1, 1896-----	4.00	3.50	2.70	2.25	12.40	11.15
1897-----	May 20, 1897-----	2.60	2.25	2.15	1.90	8.35	8.40
1898-----	March 20, 1898-----	2.75	2.25	1.85	1.75	9.55	9.80
1899-----	February 1, 1899-----	3.00	2.40	2.15	2.00	10.30	9.75
1900-----	December 15, 1899-----	5.50	4.50	4.25	4.00	21.15	22.15
1901-----	April 15, 1901-----	4.25	3.25	3.00	2.75	16.15	14.40
1902-----	February 1, 1902-----	4.25	3.25	3.25	2.75	15.90	15.90
1903-----	March 20, 1903-----	4.50	4.00	3.60	3.20	21.50	21.65
1904-----	April 15, 1904-----	3.25	3.00	2.75	2.50	13.35	13.15
1905-----	February 1, 1905-----	3.75	3.50	3.20	3.00	15.50	16.00
1906-----	December 5, 1905-----	4.25	4.00	3.70	3.50	17.25	17.25
1907-----	November 10, 1906-----	5.00	4.75	4.20	4.00	21.50	21.50
1908-----	June 18, 1908-----	4.60	4.25	3.70	3.50	16.00	15.00

**Growth of Imports and Exports of Manufactures in the United Kingdom and United States, respectively, from 1870 to 1907.**

This table, which shows the value of manufactures imported into and exported from the United States and United Kingdom, respectively, at quinquennial periods from 1870 to 1907, is especially interesting in view of the fact that it compares the trade in manufactures of the United States under protection with that of the United Kingdom under free trade. It will be noted that the increase in imports of manufactures into the United Kingdom has been more rapid than that into the United States and that the percentage of growth in exportations of manufactures from the United States has been much greater than from the United Kingdom. The United Kingdom's importations of manufactures grew from \$277,000,000 in 1870 to \$762,000,000 in 1907, an increase of considerably more than 200 per cent, while those of the United States grew during the same period from \$229,000,000 to \$638,000,000, an increase of considerably less than 200 per cent. In the exports of manufactures the contrast is much more strongly marked; the exports of manufactures from the United Kingdom were \$888,000,000 in 1870 and \$1,690,000,000 in 1907, a gain of a little less than 100 per cent, while those from the United States grew from \$70,000,000 in 1870 to \$740,000,000 in 1907, an increase of nearly 1,000 per cent.

This seems to disprove the frequent assertion of the Democrats that a protective tariff at home destroys our chances for selling abroad.

**Exports of Manufactures and Total Exports of Domestic Merchandise from the United States, United Kingdom, and Germany, from 1875 to 1907.**

The table which follows shows the imports and exports into and from free trade United Kingdom, and protective Germany, and the United States, respectively, from 1875 to 1907; also the exports of manufactures from each of those countries during a period. It is interesting to note that the total exports of the United States have grown more rapidly than those of either the United Kingdom, and the growth in the exports of manufactures has been much more rapid than in either of the other countries. Manufactures exported from the United Kingdom amounted to \$979,000,000 in 1875 and in 1907 to \$2,000,000, having thus increased less than 75 per cent. dur-



found in the tariff of "Country A" on articles in the exportation of which their country is not interested. In case Country B is an exporter of textiles and chemicals the negotiators representing Country B will be interested in having the rates on these products only reduced by Country A. If the concessions granted by one side are found to be equivalent to those granted by the other, new sets of rates will be constructed which, as a rule, will be lower in either tariff than the rates on the same articles adopted originally by the legislatures of the two countries. Sometimes the result of such negotiations is that some conventional rate adopted does not differ from the original autonomous rate, but is merely "fixed" or "bound" for the period of time during which the tariff agreement is to last. The conventional tariff schedule which results from such negotiations is therefore composed of reduced and "bound" or "fixed" rates. The general schedule may be changed at any time without breaking any of the conditions of the treaty; the conventional rates must remain in force during the lifetime of the treaty and can be changed by the consent of both parties only.

Such negotiations usually are carried on with more than one country and result in reductions or binding of rates on various groups of articles in the exportation of which the particular countries are interested. In case a country does not care to enter into such special tariff negotiations, relying merely on the most favored nation clause in its existing treaties with the respective country, all the conventional rates accorded to other countries as the result of special negotiations are granted to that country as a matter of course. For example, the United Kingdom, by reason of its most favored nation clause, obtained without special negotiation all the conventional rates granted by Germany in 1905-1906 to Russia, Austria-Hungary, Italy, Switzerland, Belgium, Servia, Roumania, Sweden, Bulgaria and Greece. Inasmuch as the greater part of the countries also concluded commercial agreements with each other and extended the concessions granted to any one of them to all others having most favored nation clauses in their treaties, it follows that all concessions granted originally only to one country in the cycle are applicable to importations from all other countries entitled to such concessions by reason of their most favored nation clause. It can be seen therefore that the application of the original general tariff adopted by the legislature is considerably modified by the conclusion of commercial treaties and that the conventional rates are the ones normally applied. These rates come into force by legislative enactment, each tariff convention or treaty with its set of new conventional rates being subject to sanction by the legislature. The conclusion of such tariff treaties on the part of the negotiators therefore presupposes not only an expert knowledge of the export industries, for which concessions are obtained, but also of the limits of concessions from the rates of the general tariff which may be granted without endangering the adoption of the tariff treaty by the legislature of their own country. For it must be understood that the terms of the treaty cannot be modified by the legislature, which merely reserves in itself the right to adopt or reject the treaty as a whole. In the case of the maximum and minimum tariff, unless the right to grant all or certain minimum rates for equivalent concessions is specially conferred upon the Executive by the legislature, a similar legislative sanction is necessary, though from what has been said above, it is manifest that the scope and freedom of the negotiators is more limited and restricted.

#### **Important Difference Between the Conventional and the Maximum and Minimum Systems.**

The most important difference between the two types of the tariff system is that the maximum and minimum tariff system gives the Government free to change either the maximum or the minimum rates whenever circumstances and changed industrial conditions make such action advisable. All that the Government has to do with regard to the foreign country is to fix its minimum tariff. As the French negotiators

put it in their letter to the Canadian delegates during the negotiations for the recent reciprocity treaty, "it is a principle in French customs legislation that the Administration cannot renounce its right to revise or modify the tariff." Under the system of conventional tariffs the contracting powers specify the exact rate of duty to be respectively applied to each other's products, and while the general rates may be moved up or down during the lifetime of the treaty, the conventional rates cannot be raised during this period except by mutual consent. In order to insure stability of rates, tariff conventions, as a rule, are concluded for a certain number of years—not less than five, but usually for a longer period, ten or even twelve years. It is plain that either system has its advantages and disadvantages and no *a priori* judgment upon the respective merits of the two systems is possible.

#### European Interpretation of the Most Favored Nation Clause.

Mention has been made of the "most favored nation clause," by reason of which countries obtain more favored treatment freely and as a matter of course without special negotiations or equivalents. Inasmuch as the European interpretation of this clause differs considerably from ours a few words of explanation would seem necessary. The American view or interpretation of this clause is that every favor or concession granted by a treaty is to be compensated by a definite and positive concession of some sort in return, and that the American Government reserves to itself the right to judge in each particular case of the adequacy of the return favor or concession. In opposition to this construction of the clause the one now accepted by European countries in their commercial relations is that all concessions and favors given to a third party shall be at once and without any special return extended to the other party to whom such treatment is guaranteed. The result is that a nation having been granted the most favored nation clause by its neighbor is assured that while this clause is in force it will not be treated less favorably than any other nation. In the first place, then, favors or concessions given to any other country are at once and as a matter of course given to all other nations entitled to the most favored nation clause. And, second, these concessions are given without any special compensation even though they were secured by the first country in return for specified and important concessions.

Such an interpretation of the clause in connection with a special tariff agreement assures to the parties concerned the maximum possible benefits in the markets of the other contracting party. Either country when sufficiently interested has an opportunity of obtaining the greatest possible concessions for its own export industries by granting through direct negotiations return concessions on its own general rates. Moreover, it is assured that subsequent tariff treaties with other countries will not make less favorable its position in its neighbor's market, inasmuch as all such subsequent concessions and favors granted to a third party will, as a matter of course, and without further concessions on its own part, be extended to it by reason of its most favored nation clause.

It is therefore seen that the conventional tariff system is closely interwoven with the most favored nation clause. The United Kingdom, having a duty on but few articles and thus no concessions to offer, is unable to make special tariff agreements and must be satisfied with benefits reflected to it merely through its most favored nation clause. For no matter how large the circle of countries that conclude special tariff agreements with conventional rates it is plain, from what has been said above, that the reduction or "binding" of rates will apply only to such articles which constitute, so as to say, the special field of the respective countries. These reductions or concessions may or may not be of special importance to other countries which receive the more favorable rates through the most favored nation clause only. As a matter of fact, industrial conditions and the needs of foreign markets for various industries are not identical in the various countries. Hence, a country



which is able to offer concessions is in a better strategic position to obtain concessions for its export industries than a country which has no such concessions to offer.

This disadvantage becomes more pronounced in relation to the United States, which, as mentioned above, grants concessions only upon receiving equivalent concessions from the other nation. As a matter of fact, the concessions of Section 3 in the Dingley tariff have never been extended to articles the products of the United Kingdom, for the reason that the latter country was not in position to offer equivalent concessions.

#### **The Position of the United States.**

It is difficult to bring the United States tariff, now in force, under any one of the heads of tariff systems discussed, as, although chiefly of the first named or "autonomous" type, it partakes of some of the features of a "maximum and minimum" tariff and by the adoption of the Cuban reciprocity treaty of 1903 has also features of a "general and conventional" tariff. Section 3 of the Dingley tariff authorized the President to reduce duties on argols, brandies, sparkling and still wines, vermouth, paintings, and statuary, whenever reciprocal and equivalent concessions might be secured in favor of the products and manufactures of the United States. The following countries are granted reduced rates under this provision: France, Germany, Italy, Portugal, Spain, and Switzerland. The concessions which were granted in the case of these several countries were, however, not equal. Thus, in the case of Italy and Switzerland this country was able to obtain in exchange for concessions of Section 3 all the conventional rates granted by those countries to other nations, either through special tariff treaties or by reason of the most favored nation clause. In the case of Spain we are entitled to treatment under the minimum tariff. In the case of Portugal the concessions obtained included the lowest rates accorded to any other country, except Spain and Brazil, on wheat, corn, flours, except wheat, flour, lard, and grease, mineral oil, certain agricultural machinery, tools and instruments, tar and mineral pitch.

The concessions obtained from Germany in exchange for those given to her products under Section 3 of the Dingley tariff include now most of the conventional rates granted by her through previous special conventions to Russia, Austria-Hungary, Italy, Switzerland, Belgium and Roumania, and Servia. In the case of France, however, the concessions from the general rates are more restricted and include at present merely the minimum rates on canned meats, manufactured and prepared pork meats, lard and its compounds, fresh table fruits, dried or preserved fruits, apples and pears, crushed or cut and dried, common woods, paving blocks, staves and hoops.

In December, 1903, a reciprocal convention between the United States and Cuba went into effect, by the terms of which the United States granted a 20 per cent reduction upon all imports from Cuba, the products of that island; while the Cuban Government granted reductions on a large list of articles, varying between 25 and 40 per cent, on the produce and manufactures of the United States imported into that island. The reduced rates granted to Cuba have not been extended to any other country, the United States Government regarding the commercial relations between this country and the island of Cuba as peculiar and *sui generis*.

#### **Illustration of the Conventional and the Maximum and Minimum Tariffs.**

Below are given extracts from the German and French Customs Tariffs respectively as illustrations.

The rates in the second column of the German Tariff, marked *conventional*, are the results of reciprocity treaties concluded with various foreign nations, with the exception of the rates marked *maximum* and *minimum*. These rates were fixed by the Reichstag at the time of the adoption of the Tariff, so as to prevent a reduction of duties on these cereals below that which would be a result of treaty negotiations.

In the case of the French Tariff, the Parliament was likewise anxious to prevent a reduction of duties on cereals and this was done by failing to provide any rates in the "minimum tariff" column on these products, leaving but one set of duties in the general tariff in tariff Nos. 68-76 inclusive.

EXAMPLE OF CUSTOMS TARIFF OF FRANCE.

(Maximum and minimum.)

Schedule A—Import tariff.

Tariff No.	Articles.	Unit of quantity.	Rate of duty (additional taxes included).	
			General tariff.	Minimum tariff.
Second Section—Vegetable Products.				
VI.—Farinaceous Food.				
68	Wheat, spelt, and meslin:		Francs.	Francs.
	Grain.....	100 kilos G.	7.00	-----
	Crushed, and grist containing more than 10 per cent of flour.....	100 kilos N.	11.00	-----
	Flour at the rate of extraction (aux taux d'extraction)—			
	Of 70 per cent and above.....	do	11.00	-----
	Of between 70 per cent and 80 per cent.....	do	13.50	-----
	Of 80 per cent and below.....	do	16.00	-----
69	Oats:			
	Grain.....	100 kilos G.	5.00	-----
	Meal.....	do	5.00	-----
70	Barley:			
	Grain.....	do	3.00	-----
	Meal.....	do	5.00	-----
71	Rye:			
	Grain.....	do	5.00	-----
	Meal.....	do	5.00	-----
72	Indian corn:			
	Grain.....	do	3.00	-----
	Meal.....	do	5.00	-----
73	Buckwheat:			
	Grain.....	do	2.50	-----
	Meal.....	do	4.00	-----
74	Malt.....	do	4.00	-----
75	Ships' biscuit and bread.....	do	7.00	-----
76	Groats, grits (coarse flour), pearled or cleaned grain.....	100 kilos N.	16.00	-----
76bis	Millet, hulled or cleaned.....	100 kilos G.	6.00	-----
77	Semolina and Italian pastes (SO 2.40 francs).....	100 kilos N.	19.00	16.00
78	Sago, salep, exotic feculæ and their derivatives.....	do	11.00	19.00
XXIII.—Glass and Crystal.				
348	Plate glass:			
	Less than one-half of a square meter in surface.....	100 kilos N.	25.00	20.00
	One-half of a square meter, inclusive, to 1 square meter, exclusive—			
	Rough.....	Sq. meter.	1.25	1.00
	Polished or silvered.....	do	4.00	3.00
	1 square meter or more—			
	Rough.....	do	3.00	2.00
	Polished or silvered.....	do	5.00	3.50
349	Glass, common, cast or molded, with or without grooves, reliefs, or perforations, of any thickness, shape, or size, for insulators, roofing, windows, piping, or pavements.....	100 kilos G.	6.00	4.50
350	Table glass, of glass or crystal:			
	Plain and molded, white, or of one color, and colored in the paste.....	do	6.00	4.00
	Out and engraved, in any other manner than is necessary for effacing the mark of the pontee.....	100 kilos N.	20.00	16.00
	Decorated in gold or color.....	do	35.00	23.00
	Lamp chimneys.....	do	18.00	15.00
351	Window glass:			
	Common—			
	Panes not exceeding 50 square centimeters in surface.....	100 kilos G.	7.00	5.00
	Panes exceeding 50 square centimeters in surface.....	100 kilos N.	12.00	10.00
	Colored or slightly tinted glass, undulated glass.....	do	25.00	20.00
	Framed window glass, colored glass, enameled, engraved, decorated with lithographic, photographic, or other prints, or hand painted.....	do	120.00	100.00

## Schedule A—Import tariff—Continued.

Tariff No.	Articles.	Unit of quantity.	Rate of duty (additional taxes included).	
			General tariff.	Minimum tariff.
	XXIII.—Glass and Crystal—Continued.			
	Watch glasses:		Francs.	Francs.
352	Rough, including glasses for toy watches	do	20.00	15.00
353	Glasses for clocks, flat, cut and polished	do	75.00	50.00
354	Glasses for clocks, other, and watch glasses, cut and polished	do	180.00	150.00
	Spectacle and optical glasses:			
355	Plane, concave, or convex	100 kilos N.		
356	"Koylos," or window glass, cut on one surface	do	30.00	15.00
357	Polished or cut	do	180.00	150.00
358	Vitrifications:			
	Vitrifications and enamel, in lumos and tubes—			
	Not cut	100 kilos G.	6.00	5.00
	Cut, not rebaked	do	7.50	6.00
	Vitrifications in beads, perforated or cut, spun glass, balls, and imitation coral of glass	100 kilos N.	30.00	20.00
	Imitation precious stones, trinkets of glass, colored or not	do	150.00	100.00
	Flowers and ornaments of beads and porcelain, mosaics on paper	do	150.00	125.00
	Wreaths, finished or not, and other vitrified or porcelain articles, with or without metal ornaments	do	175.00	150.00
359	Bottles, full or empty	100 kilos G.	4.50	8.50
360	Cullet or broken glass	do	Free.	Free.

I am a protectionist because I think by that policy the workmen of America will be well paid and not underpaid.—Hon. George F. Hoar.

A tariff for revenue only resulted in cheaper wool, cheaper bread, cheaper everything; there was no doubt about that; but did cheapness produce happiness, as they said it would? No; it produced misery, just as we said it would.—Hon. M. N. Johnson, in Congress, March 24, 1897.

The railways can blame no one but themselves if the revelation of the flagrant violations of law and of their unjust administration of a public trust have led to an outburst of popular indignation and have brought on temporary excess.—Hon. Wm. H. Taft, at Columbus, Ohio.

The most casual observer must have perceived the rapid improvement in the commercial interests of the country which followed the enactment of the Dingley law, an improvement which has steadily increased in degree notwithstanding the adverse influence of actual war.—Hon. C. W. Fairbanks, in U. S. Senate, June 3, 1898.

I am a protectionist because facts confront us, not theories. I have seen the wage-earners of Great Britain and continental Europe; know how they live; that they are homeless and landless as far as ownership is concerned; that they are helpless and hopeless as to any brighter future for themselves or their children; that in their scant wages there is no margin for misfortune and sickness, pauperism being the only refuge.—Hon. William F. Frye.

What has been the result to the United States of this so-called colonial policy? Well, it has added to her trade something over one hundred millions of dollars. I do not think that is important except as a beginning. If the government continues its friendly policy toward Porto Rico and the Philippines and opens her markets as well to the Philippines as to Porto Rico, this trade will treble and quadruple in a marvelously short time, so that merely from the standpoint of material progress, the mutual benefits for the people we are helping and ourselves will be no mean justification for the policy.—Hon. Wm. H. Taft, at Cleveland, Ohio.

One vital, dominating fact confronts the Democratic Party which no oratory, which no eloquence, which no historic can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

## EXAMPLE OF CUSTOMS TARIFF OF GERMANY.

(Conventional.)

## Rates of import duty.

[NOTE.—All rates are given per 100 kilos, net weight, except where otherwise indicated by footnotes.]

Tariff No.	Articles.	General rate of duty.	Conventional rate of duty.
PART I.—AGRICULTURAL AND FOREST PRODUCTS, AND OTHER NATURAL ANIMAL AND VEGETABLE PRODUCTS, FOOD STUFFS, AND ARTICLES OF CONSUMPTION.			
A.—Field, garden, and meadow produce.			
CEREALS AND RICE.			
		Marks.	Marks.
1	Rye.....	7.00	5.00
	Tare: Sacks, 1.....		
2	Wheat and spelt.....	7.50	5.50
	Tare: Sacks, 7.....		
3	Barley.....		
	Malting barley.....	7.00	4.00
	Other.....	7.00	1.30
	Tare: Sacks, 1.....		
	NOTE.—The following is to be regarded as barley other than "malting barley," and to be admitted at the reduced rate:		
	(1) On entering at certain customs stations provided with special authority, barley which, in its pure, unmixed, beardless state, does not reach the weight of 65 kilos per hectoliter, and likewise does not contain more than 30 per cent of grain of which the weight is 67 kilos per hectoliter or more.		
	(2) Barley for which proof is furnished that it is unfitted for the manufacture of malt or that it is not intended for that purpose.		
	In case the correctness of the ascertainment of the quantity admitted under (1) is disputed by the importer, or in case other grounds of doubt as regards the use to which it is to be put arise respecting a consignment presented for clearance on account of its special character, the customs department is only bound to admit the goods at the reduced rate, provided it is first rendered unsuitable for use in the manufacture of malt. This can be done at the option of the customs department by grinding, hulling, bruising, or any similar process. It is understood, however, that the application of any such process does not entail any expense to the importer.		
4	Oats.....	7.00	5.00
	Tare: Sacks, 1.....		
5	Buckwheat.....	5.00	
6	Millet (panicum, Italian millet).....	1.50	1.50
7	Maize (Indian corn) and sorghum (dhoura).....	5.00	3.00
8	Other cereals not specially mentioned.....	1.50	
	NOTE TO NOS. 1-8.—Cereals in sheaves, as directly gathered on the field, will pay half the duty in the grain as specified above.		
	Malt, except that roasted or ground—		
9	From barley.....	*10.25	5.75
	From other grain.....	*11.00	
10	Rice, not cleaned.....	4.00	4.00
LEGUMES, DRY (RIPE).			
11	Beans for food.....	4.00	2.00
	Pease, lentils.....	4.00	1.50
12	Beans for fodder (horse-beans, etc.), lupines, vetches.....	2.50	1.50
	NOTE TO NOS. 11 and 12.—Legumes in the straw are to pay half the duty of the class to which it belongs.		
OLEAGINOUS FRUITS AND SEEDS.			
13	Rape seed, colza seed, dodder seed, oil-radish seed, mustard seed, hedge-mustard seed.....	5.00	2.00
14	Poppy seed, also ripe poppyheads, sunflower seeds, edible cyperus root, beechnuts, laurel berries.....	2.00	2.00
	Peanuts, sesame, "madia" seed, ben nuts, kapok seed, and Niger seeds.....	2.00	
PART XV.—GLASS AND GLASSWARE.			
735	Glass in the mass (also glass paste unshaped or in rough lumps); fusible glass, enamel, and glazing in the lump, colored or not, and glass powder (ground glass).....	8.00	8.00

\*Gross weight.

*Rates of import duty—Continued.*

Tariff No.	Articles.	General rate of duty.	Conventional rate of duty.
	<b>PART XV.—GLASS AND GLASSWARE—Continued.</b>	<b>Marks.</b>	<b>Marks.</b>
736	Rough rods and tubes of natural colored glass-----	3.00	3.00
	Glass tubes and rods, without distinction of color, used for the manufacture of beads and blown art wares, etc.-----	3.00	3.00
737	Hollow glass— Neither molded nor ground, polished, smoothed, cut, etched, or figured— Of natural color-----	3.00	3.00
	White (or half white) transparent, with or without separate rings of massive white (or half-white glass)-----	*8.00	*8.00
	Colored or white nontransparent, or even flashed with colored or white nontransparent glass-----	17.00	{ 10.00 15.00
738	Tare: Cases, 40; casks, 40; hampers, 13. With the bottoms only molded, or with the stoppers shaped or ornamented by grinding, molding, etc.— Colored or white nontransparent, or even flashed with white or colored nontransparent glass-----	24.00	24.00
	Other-----	20.00	12.00
	Tare: Same as No. 737.		
739	Molded, ground, polished, smoothed, cut, engraved, or figured in any other way— Colored or white nontransparent, or even cased with colored or white nontransparent glass-----	30.00	15.00
	Other-----	24.00	12.00
	Tare: Cases—Ink wells made of ground white transparent glass, 20; other, 40. Casks 40. Hampers, 13.		
740	Painted, gilt, or silvered, also figured by colors being applied or burnt in-----	36.00	20.00
	So-called "Silberglass" (ordinary, white, transparent, uncut, and hollow glass, to which an even and glittering appearance of a color like silver has been imparted by means of washing the whole of the interior with amalgam, but which has not undergone any further process of working on the outside), used as ornamental balls for garden posts, chandeliers, and the like.-----		15.00
	Other hollow glass of a like description-----		20.00
	Tare: Cases, 40; casks, 40; casks, 40; hampers, 13.		

\*Gross weight.

**Tariff Relations Between the Mother Country and its Dependencies, Possessions, or Colonies. (Preferential Tariffs.)**

The tariff relations between the mother country and its colonies may be classed under the following heads:

1. Those in which Colonial imports into the mother country are subject to the same rates of duty as the products of foreign countries enjoying the most favored nation treatment. This mode of treatment of colonial imports prevails at present in the United Kingdom, Germany and the Netherlands; in the case of the United Kingdom and Netherlands, which are practically on a free trade basis, the reasons of such policy are obvious. In the case of Germany the imports from her colonies consist almost exclusively of such products, mainly raw materials, as do not enter into competition with German home products or manufactures and are not subject to any duty whatever their origin.

2. Those in which colonial products when imported into the mother country are subject to preferential, that is, lower customs duties; thus, for example, the United States accords a 25 per cent reduction from the general rates to all dutiable imports from the Philippine Islands. The French Government accords preferential treatment without limitation as to quantity to certain articles, such as lumber, palm oil, etc., imported from the French West coast of Africa. In other cases reduced rates are charged on limited quantities of certain colonial products.

3. Those in which the tariff of the mother country is made to apply to the colonies and trade between the mother country and its colonies is free and subject to no duty. An example of such treatment is presented by the tariff arrangement existing



between the United States and Porto Rico. In the case of tariff relations between France and the larger part of her colonies, while free trade exists in most articles exchanged between them, important exceptions to the general rule are found in the case of "colonial" products imported into France, such as cocoa, chocolate, coffee, tea, pepper, etc., which are subject to revenue duties, though in most cases these duties are 50 per cent below the minimum rates charged on imports of the same character from foreign countries.

**Treatment by the Colonies of Goods Coming from the Mother Country or other Colonies Under the Same Sovereignty.**

The fiscal treatment of imports from the mother country by the colonies is likewise three-fold:

1. Those in which no fiscal favor or preference is shown to imports from the mother country. This is the arrangement prevailing at present in the Dutch German colonies and British Crown colonies, as well as in the Philippine Islands with regard to imports from the United States.

2. Those in which the products of the mother country are subject to preferential treatment, that is, admitted into the colony on payment of lower rates of duty than charged on imports from foreign countries. The manifest purpose of such legislation is to bring about a closer economic and commercial relationship between the colonies and the mother country and to open a more favorable market for the products of the mother country in exchange for better opportunities offered to the products of the colony in the markets of the mother country. Unless existing treaties with foreign countries contain provisions to the contrary, it would seem that a foreign country cannot claim the extension to her products of the preferential rates on the basis of its most favored nation clause in its commercial treaty with the mother country. In practice, however, the application of preferential rates by the British self-governing colonies to the products of the mother country has given rise to controversies and tariff difficulties with foreign countries. Thus, for example, Canada involved herself into difficulties with Germany by according preference to British products; the result of this difficulty has been that Canadian products imported into Germany are subject to the general tariff and not to the conventional rates. This preferential policy in British colonial tariffs is the growth of recent years. Canada entered upon this policy in 1897 and accords now reductions of duty on a large number of articles, the product and manufactures of the United Kingdom. The new Canadian tariff which went into force November 30, 1906, provides for the application of preferential rates to direct importations not only from the United Kingdom but also to products coming from British West Indies, British Guiana, Australia, Straits Settlements, New Zealand and the South African Customs Union. New Zealand in its tariff of 1907 accords preferential treatment to certain articles which are the produce and manufacture of some part of the British dominions, either by imposing duties of 20 to 50 per cent higher on the same articles when coming from foreign countries or by admitting free of duty certain other articles that are dutiable at 10 to 20 per cent *ad valorem* when not of British production. The Australian Commonwealth has also adopted the same principle of preferential treatment of certain goods imported into the Commonwealth when the produce or manufacture of the United Kingdom. Furthermore these semi-sovereign colonies have entered into or are negotiating reciprocity tariff arrangements between each other, by which preferential treatment of the respective imports from each other is granted to an extent even larger than that which is accorded to products of the mother country.

The third type of tariff treatment of the products of the mother country by the colonies is that prevailing in Porto Rico and in a large number of the French colonies, i. e., imports from the mother country are admitted free of duty. In a case of the French colonies which have adopted the same mode of treating the products of the mother country free trade exists between all of them, these colonies, together with the mother country, constituting, as it were, one greater customs union.



*List of tariff treaties concluded by Germany with other European countries.*

Name of country.	Date of signing.	Date of taking effect.	Date of expiration.
Austria-Hungary	1905	March 1, 1906	*December 31, 1917.
Belgium	1901	March 1, 1906	December 31, 1917.
Italy	1901	March 1, 1906	December 31, 1917.
Roumania	1904	March 1, 1906	December 31, 1917.
Russia	1904	March 1, 1906	December 31, 1917.
Servia	1904	March 1, 1906	December 31, 1917.
Switzerland	1904	March 1, 1906	December 31, 1917.
Bulgaria	1905	March 1, 1906	February 28, 1911.
Greece	1884	July 9, 1884	6 months' notice.
Sweden	1906	May 8, 1906	December 31, 1910.
United States	1907	July 1, 1907	12 months' notice.

\*With option of denouncing it 12 months before December 31, 1915.

**List of Recent Tariff Treaties Concluded by France with other European Countries, with the United States and Canada.**

Austria-Hungary, 1884; Belgium, 1906; Germany (treaty of peace at Frankfort), May 10, 1871; Great Britain, 1882; Roumania, 1907; Russia, 1905; Servia, 1907; Spain, 1893-4; Sweden and Norway, 1892; Switzerland, 1906; Canada, 1907; United States, 1908.

### RECIPROCITY.

Reciprocity is another form of tariff revision which has been suggested at various times by various people and by people belonging to various political parties. It was suggested by President Arthur, James G. Blaine, and William McKinley; was put into operation in the McKinley tariff law; was destroyed by the Democratic Wilson-Gorman tariff law; and now the Democratic party is charging that the Republican party is not willing to give the country "genuine reciprocity."

There are two distinct kinds of legislation which have been designated as reciprocity legislation. The first of these was enacted by the Democratic party in 1854, taking effect in 1855. It was reciprocity with Canada, and provided that certain articles, the growth or produce of Canada or the United States, should be admitted into each country, respectively, free of duty. These were *articles of common production in the two countries*, and included grain, flour, animals of all kinds, fresh, smoked, and salted meats, cotton, seeds, vegetables, fruits, fish, poultry, eggs, hides, furs, stone, slate, butter, cheese, tallow, lard, ores, coal, pitch, turpentine, ashes, timber, lumber, flax, hemp, tobacco, and rags. These were all, with the single exception of cotton, articles of mutual production, and Democratic reciprocity simply provided for free trade in these competing articles. Under that treaty, which went into effect March 16, 1855, and terminated March 17, 1866, exports from the United States to Canada fell from \$27,741,808 in the fiscal year 1855 to \$23,439,115 in the fiscal year 1866, a reduction in our exports to Canada of over 4 million dollars during this period of Democratic reciprocity, while imports into the United States from Canada increased from \$15,118,289 in 1855 to \$48,133,599 in 1866, an increase of 33 million dollars. In our trade with all other countries during that same period our imports increased 60 per cent while those from Canada were increasing 220 per cent, and our exports to all other countries increased 70 per cent while those to Canada under this reciprocity were decreasing 15 per cent. It was simply *free trade in articles of common production and with no barrier to protect the domestic producer*—the result being a much greater increase in our imports from Canada than in those from other countries, and a decrease of exports to that country, while to other countries exports were increasing.

A later form of reciprocity with which the country has had experience is illustrated by the plan formulated in the McKinley tariff law and expressed by William McKinley in his much-quoted speech at Buffalo, in which he said: "By sensible trade arrangements *which will not interrupt our home production* we shall extend the outlets for our increasing surplus. \* \* \* We should take from our customers such of their products as we can use *without harm to our industries and labor*. \* \* \* If perchance some of our tariffs are no longer needed for revenue or to encourage and protect our industries at home, why should they not be employed to extend and promote our markets abroad?"

To purchase from our neighbor "such of their products as we can use *without harm to our industries and labor*;" in other words such of their products as are not produced by our own labor and obtain in exchange markets for the class of merchandise which we desire to sell, and which the countries in question require for their own use, differs materially from the reciprocity of 1855-56, which was merely free trade in articles of mutual production, articles which when imported compete with the home producer. The chief classes of products which we do not produce in the United States are tropical and subtropical. We import about 400 million dollars' worth of tropical and subtropical products every year; more than a million dollars' worth for every day in the year, including Sundays and holidays. These articles we do not produce in the United States in sufficient quantities for home requirements. They include rubber, hemp, sisal, jute, raw silk, Egyptian cotton, and other articles used in manufacturing, and coffee, cocoa, tea, spices, olives, bananas, and sugar, used as food and drink. These classes of articles are of the class which "we can use without harm to our industries and labor." Sugar is the only article in this list produced in the United States, and at the present time the home production of sugar is only sufficient to supply about one-fifth of the total home consumption. The countries which produce these tropical and subtropical articles are not manufacturing countries, nor are they large producers of those great staples of food—flour, wheat, corn, and meats. As a consequence, they require the very classes of articles which the people of the United States have to sell.

#### Reciprocity Treaties Under the McKinley Law.

Under the McKinley tariff law reciprocity treaties were made by President Harrison with the governments of Brazil, British Guiana, Salvador, Nicaragua, Honduras, Guatemala, Santo Domingo, and the countries governing the British West Indies and Porto Rico and Cuba. These treaties provided for a reduction of duties on foodstuffs and manufactures from the United States entering the countries and islands in question, in exchange for the free importation of sugar, coffee, tea, and hides into the United States, as provided under the general terms of the McKinley act. The result of those treaties with this group of tropical countries, producing the class of articles which the United States requires and does not produce in sufficient quantities at home, was that our exports to those countries and islands increased 26 per cent and our imports from them increased 28 per cent between 1890, the year of the enactment of the McKinley law, and 1894, the year in which it was repealed by a Democratic Congress and a Democratic President, and reciprocity thus destroyed. During that same period our exports to all other countries than those above named increased 3 per cent and our imports from them decreased 27 per cent.

#### The Hawaiian Reciprocity Treaty.

Another example of reciprocity, that with countries producing the class of articles which we require and importing the class which we produce and desire to export, was the reciprocity treaty with the Hawaiian Islands. That treaty went into effect September 9, 1876, and terminated April 30, 1900. During that period of the existence of that agreement, our exports to the

Hawaiian Islands grew from \$779,257 in the fiscal year 1876 to \$13,509,148 in the fiscal year 1900, while imports from the Hawaiian Islands of noncompeting articles demanded by our markets—tropical products—increased from \$1,227,191 in 1876 to \$20,707,903 in 1900. Thus by taking from this tropical country—Hawaii—its production of articles which we must import from some part of the world, we built up in the Hawaiian Islands a market for our merchandise seventeen times as large as in 1876.

### Reciprocity.

The statements and tables which follow show in concise terms the experience of the United States with reciprocity. The principal treaties and agreements of the United States with other countries were, first, that with the British North American possessions, from 1855 to 1866; second, that with the Hawaiian Islands, from 1876 to 1900, the date of annexation; third, the series of agreements made under the tariff Act of 1890 and continuing in force until terminated by the Wilson Act of 1894; fourth, reciprocal agreements with certain European countries made under the Act of 1897; and, fifth, the reciprocity treaty with Cuba, taking effect in December, 1903, and still in operation. The details of the agreements with these various countries and under these various Acts are stated below, and in the accompanying tables is shown the commerce with each of the countries in question covering the years immediately prior to that in which the treaty took effect and continuing to the end of its operation or to the present time in the cases of those still in force. It will be noted that in the trade with Canada, *whose products are similar to our own*, the exports from the United States to that country made but slight increase during the existence of the treaty, but have grown rapidly since its termination. In the case of the Hawaiian Islands the exports thereto grew rapidly under the treaty and have grown with equal rapidity since annexation, which made permanent the freedom of interchange between that section producing tropical products required by the United States and requiring products of the temperate zone and of manufacturing industries, such as those which the United States has to sell. In the countries with which reciprocity agreements were made under the Act of 1890, in nearly all cases tropical or subtropical countries, the exports thereto showed marked gains during the existence of the reciprocity treaties. In the case of the European countries with which reciprocity agreements were made under the Act of 1897, the growth in the trade, while steady, seems to have been little affected by these agreements, which, as will be seen by the terms of the treaties, affected comparatively few articles.

In the trade with Cuba under the reciprocity treaty of 1903 there has been a marked growth in both imports from and exports to that island, as will be seen in the table showing trade with Cuba from 1880 to 1903. The relations with that island, both commercial and otherwise, have been so varied during the last 20 years as to render interesting and important this statement of our trade therewith during that period and in the years immediately preceding. Under the reciprocity clause of the McKinley tariff act an agreement was made in June, 1891, with Spain, relative to Cuba and Porto Rico, by which sugar, molasses, coffee, and hides were admitted into the United States free of duty and in exchange for that privilege salted meats, fish, lard, woods for cooperage and manufactured into doors and frames, wagons, cars, sewing machines, manufactures of iron and steel, and numerous other articles from the United States were admitted free of duty into Cuba; also that corn, corn meal, wheat, flour and other articles should be admitted at reduced rates of duty. This agreement remained in force from September 1, 1891, to August 27, 1894. From the latter date until the United States assumed control of Cuba in 1898 no special agreements or relations affected trade between the United States and that island. American occupation of Cuba continued from January 1, 1899, at which date the Spanish evacuated the island and relinquished sovereignty, to May 20, 1902. On December 27, 1903, became effective the present reciprocity treaty with Cuba, under which a

reduction of 20 per cent is made in the rates of duty collected on all merchandise from Cuba entering the United States; and in turn for that concession the Cuban rates of duty on articles from the United States entering that island are reduced 25 per cent on machinery, and numerous other articles, 30 per cent on certain articles, 40 per cent on still other articles, and 20 per cent on other articles not included in the above classes or in the free list.

**Reciprocity Treaties and Agreements Between the United States and Foreign Countries Since 1850.**

The following is a list of the reciprocity treaties and agreements which have been in force between the United States and foreign countries since 1850. Tables are also appended exhibiting our trade with those countries before, during, and after the period covered by the treaties.

*Reciprocity treaties and agreements.*

Countries with which reciprocity treaties and agreements have been made.	Signed—	Took effect—	Terminated—
British North American possessions (treaty).....	June 5, 1854.....	March 16, 1855.....	March 17, 1866.
Hawaiian Islands (treaty).....	January 30, 1875.....	September 9, 1876.....	April 30, 1900.
Brazil (agreement).....	January 31, 1891.....	April 1, 1891.....	
Santo Domingo (agreement).....	June 4, 1891.....	September 1, 1891.....	
Great Britain (agreement).....	February 1, 1892.....	February 1, 1892.....	
Barbados (agreement).....	do.....	do.....	
Jamaica (agreement).....	do.....	do.....	
Leeward Islands (agreement).....	do.....	do.....	
Trinidad (including Tobago) (agreement).....	do.....	do.....	
Windward Islands (excepting Grenada) (agreement).....	do.....	do.....	
British Guiana (agreement).....	do.....	do.....	
Salvador (agreement).....	December 30, 1891.....	April 1, 1892.....	August 27, 1894.
Nicaragua (agreement).....	March 11, 1892.....	February 1, 1892 (provisional).....	
Honduras (agreement).....	April 29, 1892.....	March 12, 1892.....	
Honduras (agreement).....	December 30, 1891.....	May 25, 1892 (provisional).....	
Guatemala (agreement).....	June 16, 1891.....	May 30, 1892.....	
Spain, for Cuba and Porto Rico (agreement).....	June 16, 1891.....	September 1, 1891 (provisional).....	
Switzerland (treaty of 1850).....	May 25, 1892.....	June 1, 1892.....	March 28, 1900.
Switzerland-Hungary (agreement).....	May 28, 1898.....	June 26, 1892.....	August 27, 1894.
Austria (agreement).....	January 30, 1892.....	June 1, 1892.....	Still in force.
France (agreement).....	July 10, 1900.....	February 1, 1892.....	August 24, 1894.
Germany (agreement).....	May 22, 1900.....	July 13, 1900.....	Still in force.
Portugal and Azores and Madeira Islands (agreement).....	February 8, 1900.....	July 12, 1900.....	Do.
Italy (agreement).....	December 17, 1903.....	July 13, 1900.....	Do.
Cuba.....		December 27, 1903.....	Do.

*a* Under "most-favored-nation" clause of the treaty of 1850, proclaimed November 9, 1856.

There have been four distinct experiences with reciprocity in the trade relations of the United States:

(1) The reciprocity treaty with Canada, existing from 1855 to 1866. The treaty affected imports from Canada east and Canada west, Nova Scotia, New Brunswick, and Prince Edward Island, but did not affect imports from British Columbia and Newfoundland.

(2) The reciprocity treaty with the Hawaiian Government, existing from 1876 to 1900.

(3) The series of treaties framed under the McKinley tariff act of 1890 with Brazil, Dominican Republic, Spain (for Cuba and Porto Rico), in 1891; and with Germany, United Kingdom (for British West Indies and British Guiana), Nicaragua, Salvador, Austria-Hungary, Honduras, and Guatemala, in 1892. These continued in existence until the passage of the Wilson tariff act, August 27, 1894.

(4) The reciprocal agreements of 1900 with Germany, France, Portugal, and Italy, still in operation.

(5) The reciprocity treaty with Cuba, framed and ratified in 1903, and taking effect December 27, 1903.

The detailed provisions of these various reciprocity treaties may be briefly described in general terms as follows:

(1) The Canadian reciprocity treaty provided for the free admission into the United States from Canada, and the free admission into Canada from the United States, of breadstuffs, provisions, live animals, fruits, fish, poultry, hides and skins, furs, stone, ores and metals, timber and lumber, unmanufactured cotton, flax and hemp, unmanufactured tobacco—the list of articles being identical for each country.

(2) The Hawaiian reciprocity treaty provided for the free admission into the United States of sugar, molasses, and other of the principal tropical productions of the islands, and for the free admission into the islands of breadstuffs, provisions, manufactures, and general merchandise from the United States.

(3) In the group of treaties made in the years 1891 and 1892, under the act of 1890, the provisions were briefly as follows:

With Brazil the treaty provided for the free admission into the United States from Brazil of sugar, molasses, coffee, and hides, and the free admission into Brazil from the United States of breadstuffs, pork, fish, cotton-seed oil, coal, agricultural implements, machinery for mining and manufacturing, mechanical tools, material for railway construction, and numerous other articles, the product of the United States; also for a 25 per cent reduction in the rates of duty on certain other articles, including provisions, manufactures of iron and steel, leather, lumber, furniture, wagons and carriages, and manufactures of rubber.

With Cuba and Porto Rico the treaty provided for the free admission into the United States from Cuba and Porto Rico of sugar, molasses, coffee, and hides, and the admission to the islands from the United States, free of duty, of salted meats, fish, lard, woods for coopers and manufactured into doors, frames, etc., wagons and carts, cars for railways, sewing machines, manufactures of iron and steel, oats and forage, and numerous other articles, the product of the United States; also corn and meal at 25 cents per hundred kilograms, wheat at 30 cents per hundred kilograms, flour at \$1 per hundred kilograms; also a reduction of 50 per cent of the duty on numerous other articles, especially manufactures.

With British West Indies the treaty provided for the free admission into the United States of sugar, molasses, coffee, and hides from the islands, and the free admission into the islands from the United States of live animals, canned or dried beef, fish, eggs, machinery for agriculture, irrigation, and mining; carts and wagons, wire, railway material and locomotives, fertilizers, fruits, sewing machines, and a large number of manufactures; also a reduction of 25 per cent in the rates of duty on beef and pork, salted, and provisions, and of 50 per cent on bacon and hams, lard, bread and biscuits, boots and shoes, shooks and staves, and other articles.

With the Dominican Republic and British Guiana, Nicaragua, Honduras, and Guatemala the provisions were similar to those with the West Indies.

With Germany the treaty provided for the free admission into the United States of sugar, molasses, coffee, and hides from Germany, and the free admission into Germany from the United States of bran, flax, leathers, hides and skins, tan bark, also a large list of articles at a fixed rate of duty, but in all cases below the regular tariff rates—the list including breadstuffs, lumber, provisions, live animals, fruits, and certain manufactures.

The treaty with Austria-Hungary was similar in general characteristics to that with Germany.

(4) The reciprocal agreements now existing between the United States and France, Portugal, Germany, and Italy, respectively, may be summarized as follows:

France: The United States reduces the rate of duty on crude tartar from France to 5 per cent ad valorem; on brandies or other spirits to \$1.75 per gallon; also a reduction on still wines and vermouth and on paintings to 15 per cent ad valorem; while the French Government gives its minimum tariff rates to canned meats, table fruits, dried fruits, lard, manufactured and prepared pork meats, hops, paving blocks, staves, and logs and sawed or squared timber and lumber from the United States.

Germany: The United States gives the same tariff rates as those named in the treaty with France on tartar, brandies, still wines, and paintings, and the German Government gives to the United States the



same tariff rates as those given to Belgium, Italy, Austria-Hungary, Roumania, Russia, and Switzerland during the existence of the present tariff treaties with them, and annuls its regulations regarding dried fruits from the United States, providing in their stead a system of inspection on account of the San Jose scale.

Portugal: The reductions on crude tartar, brandies, wines, and paintings accorded to Germany and France are given by the United States to Portugal, and the Portuguese Government gives to the United States as low rates of duty as those accorded to any other country, except Spain and Brazil, on breadstuffs, lard, mineral oils, agricultural implements, and certain machinery for manufacturing.

Italy: The above-named rates with reference to tartar, brandies, still wines, and paintings are given by the United States, and a reduction is made by the Italian Government on imports of cotton-seed oil, fish, machinery, scientific instruments, fertilizers, and skins.

(5) The treaty with Cuba which went into operation December 27, 1903, gives a reduction of 20 per cent duty on all dutiable articles from Cuba entering the United States and a reduction ranging from 20 to 40 per cent on articles from the United States entering Cuba.

**Republican reciprocity in non-competing articles and in nothing else.**—Hon. John Dalzell, in Congress, March 1, 1904.

**Protection brings together diversified industries which never fail to vastly increase the personal intelligence, industry, and wage earnings of the people.**—Hon. Justin S. Morrill.

Many of our great industries, including the silk industry, the pottery industry, the carpet industry, and the steel-rail industry, had only a nominal existence until adequately protective duties were imposed on competing foreign products.—James M. Swank, in the American Economist.

The present phenomenal prosperity has been under a tariff which was made in accordance with certain fixed and definite principles, the most important of which is an avowed determination to protect the interests of the American producer, business man, wage-worker, and farmer alike.—President Roosevelt at Minneapolis, April 4, 1903.

The 3,000,000 of men who went out of employment with the revision of the tariff by the Democratic party found employment in the enactment of the Dingley law by the Republican party, and a million and a half have been added to those who have employment in the industries of the country.—Hon. P. P. Campbell, in Congress, April 1, 1904.

Those foreign countries which have adopted protection have, in the elements by which you have been accustomed to test the prosperity of a nation, improved in a greater ratio and more rapidly than we have ourselves; and I have also to point out that this tendency, which has become so manifest in recent years, is likely, as every sensible man of business knows, to be accentuated as time goes on.—Hon. Jos. Chamberlain, at Liverpool, Oct. 27, 1903.

The avowed policy of the National administration of these two Presidents has been and is to govern the islands, having regard to the interest and welfare of the Filipino people, and by the spread of general primary and industrial education and by practice in partial political control to fit the people themselves to maintain a stable and well-ordered government affording equality of right and opportunity to all citizens.—Hon. Wm. H. Taft, in special report to the President.

Certain great trusts or great corporations are wholly unaffected by the tariff. Practically all the others that are of any importance have, as a matter of fact, numbers of smaller American competitors; and, of course, a change in the tariff which would work injury to the large corporation would work not merely injury but destruction to its smaller competitors; and equally, of course, such a change would mean disaster to all the wage-workers connected with either the large or the small corporations.—President Roosevelt at Minneapolis, April 4, 1903.

In the ten years which has elapsed since the enactment of the Dingley Tariff, the conditions have so changed as to make a number of the schedules under that tariff too high and some too low. This renders it necessary to re-examine the schedules in order that the tariff shall be placed on a purely protective basis. By that I mean it should properly protect, against foreign competition, and afford a reasonable profit to all manufacturers, farmers, and business men, but should not be so high as to furnish a temptation to the formation of monopolies to appropriate the undue profit of excessive rates.—Hon. Wm. H. Taft, at Kansas City, Mo.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.



*Imports into and exports from the United States in its trade with countries with which reciprocity agreements have existed.*

HAWAIIAN ISLANDS.

[Treaty period, September 9, 1876-April 30, 1900; customs district of United States subsequent to 1900.]

Year ending June 30—	Imports into U. S. from—	Exports from U. S. to—	Year ending June 30—	Imports into U. S. from—	Exports from U. S. to—	Year ending June 30—	Imports into U. S. from—	Exports from U. S. to—	Year ending June 30—	Imports into U. S. from—	Exports from U. S. to—
1870	Dollars. 1,134,723	Dollars. 808,416	1880	Dollars. 4,606,444	Dollars. 2,086,176	1890	Dollars. 12,313,008	Dollars. 4,711,417	1900	Dollars. 20,707,903	Dollars. 13,509,148
1871	1,143,244	858,615	1881	5,533,000	2,778,072	1891	13,895,597	5,107,212	1901	a	a
1872	1,290,833	633,764	1882	7,646,294	3,350,775	1892	8,075,882	8,751,628	1902	a	a
1873	1,275,061	674,191	1883	8,238,461	3,776,065	1893	9,146,767	2,827,663	1903	26,242,869	10,943,061
1874	1,016,952	614,628	1884	7,925,065	3,523,353	1894	10,065,317	3,303,157	1904	25,157,255	11,683,393
1875	1,227,191	662,164	1885	8,857,497	2,787,922	1895	7,888,961	3,723,057	1905	36,112,055	11,753,180
1876	1,376,681	769,662	1886	9,805,707	3,192,698	1896	11,757,704	3,985,707	1906	26,892,199	12,036,675
1877	2,550,335	1,272,949	1887	9,922,075	3,622,023	1897	13,687,790	4,600,075	1907	29,071,313	14,435,725
1878	2,678,830	1,736,039	1888	11,000,379	3,085,303	1898	17,187,380	5,907,155			
1879	3,257,938	2,374,918	1889	12,847,740	3,375,961	1899	17,831,463	9,395,470			

a No official figures available.

*Countries with which reciprocity agreements were made under act of 1890.*

Year ending June 30—	Guatemala, a		Honduras, b		Nicaragua, c		Salvador, d		British West Indies, e		Santo Domingo, f	
	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1888	2,085,467	916,861	959,331	690,575	1,496,171	1,473,430	647,263	12,554,940	7,611,523	1,459,392	817,707	
1889	2,346,685	994,701	1,215,561	637,175	1,747,246	1,692,162	701,196	15,485,692	8,388,106	1,451,261	1,180,019	
1890	2,281,681	994,701	984,404	552,024	1,655,690	1,453,958	899,146	14,865,018	8,288,786	1,951,013	1,950,217	
1891	2,618,199	1,097,944	1,159,591	640,921	1,705,961	1,783,066	1,294,469	16,293,184	9,779,138	1,610,340	1,023,751	
1892	3,182,688	1,851,352	982,329	515,224	1,657,873	2,330,702	1,204,288	12,440,132	8,130,257	2,293,748	1,019,450	
1893	2,554,710	1,763,862	681,912	471,695	1,401,236	1,937,850	1,138,439	16,028,692	8,014,816	2,396,315	1,143,479	
1894	2,225,586	1,654,584	795,138	558,511	1,404,472	935,142	1,071,695	13,017,178	8,512,016	3,200,552	1,788,692	
1895	2,693,854	2,665,584	872,312	645,781	1,538,792	3,174,677	1,290,628	9,777,444	7,764,178	3,201,583	1,881,067	
1896	2,089,027	2,158,059	776,644	610,621	1,298,922	1,166,970	1,608,573	10,800,618	8,734,153	2,895,039	1,931,116	
1897	1,862,589	3,017,181	724,901	729,901	1,262,701	1,112,534	1,619,578	12,285,885	9,413,290	2,869,424	1,098,635	
1898	1,854,303	3,201,714	784,741	752,203	1,095,865	1,049,505	799,145	10,639,187	8,856,210	2,382,139	1,151,258	
1899	2,111,264	1,102,963	911,849	832,016	1,514,630	1,486,511	1,085,703	14,159,482	8,751,817	2,125,779	1,101,013	
1900	2,402,078	755,462	986,606	1,381,453	1,630,266	1,817,869	738,674	12,851,325	8,895,164	2,690,413	1,317,098	
1901	3,512,145	1,424,814	1,262,317	1,115,009	2,085,636	1,482,194	1,037,715	12,851,325	8,876,052	2,553,776	1,790,685	
1902	2,903,336	1,680,929	1,080,788	1,083,595	1,978,025	1,550,386	616,887	12,178,506	9,714,963	2,553,776	1,577,692	
1903	2,400,083	1,128,045	1,375,997	956,164	1,865,292	1,898,723	891,987	13,450,248	10,126,921	2,883,676	1,371,758	
1904	2,601,841	1,281,342	2,047,981	1,627,387	1,578,897	1,837,082	948,409	8,801,070	9,496,921	2,885,482	1,548,756	
1905	3,081,553	2,051,632	2,111,312	1,730,345	1,513,877	1,113,169	1,318,496	10,437,022	10,030,988	4,664,200	1,666,789	
1906	3,381,317	2,608,665	1,721,865	1,632,251	1,478,408	1,318,784	1,401,276	10,269,252	9,706,654	3,086,353	2,018,251	
1907	3,872,538	2,848,861	2,206,556	1,833,056	1,028,166	1,171,187	1,603,166	12,191,832	10,755,139	3,370,899	2,509,517	
1908	2,500,000	1,700,000	2,500,000	1,800,000	1,100,000	1,000,000	1,500,000	12,000,000	13,000,000	4,800,000	2,600,000	

a Treaty period May 30, 1892-August 27, 1894.  
b Treaty period May 25, 1892-August 27, 1894.  
c Treaty period March 12, 1892-August 27, 1894.

d Treaty period February 1, 1892-August 27, 1894.  
e Treaty period February 1, 1892-August 27, 1894.

f Treaty period September 1, 1891-August 27, 1894.  
g June, 1908, estimated.

Countries with which reciprocity agreements were made under act of 1897.

Year ending June 30—	France, a		Italy, b		Portugal, c		Switzerland, d	
	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—	Imports into U. S. from—	Exports from U. S. to—
1895	Dollars, 61,880,500	Dollars, 49,149,137	Dollars, 30,830,761	Dollars, 16,383,126	Dollars, 2,971,306	Dollars, 2,971,306	Dollars, 14,888,494	Dollars, 17,578
1896	66,280,167	47,040,660	42,142,487	17,163,668	2,156,491	2,156,491	14,080,953	32,954
1897	67,530,251	57,694,641	19,697,352	21,022,423	2,320,038	2,320,038	13,849,782	70,871
1898	82,730,548	95,459,290	24,697,749	25,663,449	2,875,594	4,132,400	14,886,480	367,782
1899	92,146,093	60,199,899	50,332,637	23,250,868	2,903,070	2,903,070	11,889,853	363,970
1900	73,012,065	88,535,097	57,424,176	33,256,020	2,743,210	2,886,942	17,889,268	350,477
1901	75,498,739	73,711,027	34,618,384	34,473,159	3,870,430	2,294,240	15,799,400	256,300
1902	82,830,066	71,612,384	30,694,061	31,868,158	3,173,449	3,045,651	17,781,853	317,515
1903	90,050,172	77,285,230	36,246,412	38,062,689	3,483,522	3,652,194	21,183,328	305,997
1904	81,410,347	84,279,480	38,698,679	38,740,067	5,433,207	4,089,846	20,415,268	246,787
1905	80,880,445	79,337,471	33,158,042	35,720,001	5,243,787	4,935,118	19,634,469	271,256
1906	106,175,370	97,892,480	50,997,573	48,061,740	3,136,708	1,462,763	23,421,242	399,296
1907	127,863,107	113,604,012	50,475,157	51,746,963	6,473,508	2,757,422	26,880,474	612,579
1908	101,000,000	116,000,000	41,000,000	54,000,000	5,000,000	5,000,000	25,000,000	610,000

a Treaty period June 1, 1895—still in force.

b Treaty period July 18, 1900—still in force.

c Treaty period June 12, 1900—still in force.

d Treaty period June 1, 1888-March 23, 1900.

e June estimated.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned. It is important, however, that appeals to judicial remedies should be limited in such a way that parties will not use them merely to delay and so clog efficient and just executive or legislative action.—Hon. Wm. H. Taft, at Columbus, Ohio.

A protective tariff unquestionably increases the rewards of labor (a) by creating a demand for skilled labor, (b) by diversifying the kinds of labor in a country and thus differentiating both demand and supply, and (c) by making for producers of every kind a home market. This increase of the laborer's reward is not confined to the protected industries, but elevates wages in every sphere (a) by the sympathetic effect of high wages generally, and (b) by withdrawing from the nonprotected industries and from agriculture a plus of wage-earners who would divide and reduce wages they competed against each other.—David J. Hill, D. D., Ex-president University of Rochester and present ambassador to Germany.

## Commerce between the United States and Canada, 1850 to 1908

[Official figures from Bureau of Statistics.]

Year ending June 30—	Exports to Canada.	Imports to Canada.	Excess of—	
			Exports.	Imports.
	Dollars.	Dollars.	Dollars.	Dollars.
1850	9,515,991	5,179,500	4,336,491	
1851	11,787,092	5,279,718	6,490,374	
1852	10,229,608	5,469,445	4,760,163	
1853	12,423,121	6,527,559	5,905,038	
1854	24,157,612	8,784,412	15,288,996	
1855	27,741,808	15,118,289	12,623,519	
1856	29,025,319	21,276,614	7,748,735	
1857	24,138,482	22,108,916	2,029,566	
1858	23,694,526	15,784,836	7,819,690	
1859	28,109,494	19,287,565	8,821,929	
1860	22,695,928	23,572,796		876,868
1861	22,676,513	23,724,489		47,976
1862	20,573,070	18,511,025	2,062,045	
1863	27,619,814	17,484,786	10,135,028	
1864	26,574,624	29,608,736		3,034,112
1865	28,829,402	33,264,403		4,435,001
1866	24,828,880	48,528,628		23,699,748
1867	21,020,302	25,044,005		4,023,703
1868	24,080,777	26,261,379		2,180,602
1869	23,381,471	29,293,766		5,912,295
1870	25,339,254	36,265,328		10,926,074
1871	32,276,176	32,542,137		265,961
1872	29,411,454	36,346,930		6,935,476
1873	32,534,984	37,175,254		4,640,270
1874	41,827,904	34,173,586	7,654,318	
1875	34,547,219	27,867,615	6,679,604	
1876	33,375,719	28,805,964	4,569,755	
1877	37,418,315	24,164,755	13,253,560	
1878	37,146,682	25,044,811	12,101,871	
1879	29,601,385	25,719,771	3,884,614	
1880	29,460,257	32,988,564		3,528,307
1881	37,908,322	37,684,101	224,221	
1882	36,500,403	50,775,581		14,275,178
1883	44,417,110	44,294,153	122,952	
1884	44,306,196	38,399,835	5,906,361	
1885	38,245,634	36,695,685	1,549,949	
1886	33,462,800	37,304,036		3,841,236
1887	34,988,110	37,847,277		2,859,167
1888	35,882,383	42,924,554		7,042,171
1889	40,607,561	42,738,074		2,130,513
1890	40,282,108	39,042,977	1,239,131	
1891	38,147,778	39,087,782		940,004
1892	43,299,787	34,954,208	8,345,584	
1893	46,794,332	37,777,463	9,016,869	
1894	56,664,094	30,790,916	25,873,178	
1895	52,854,769	36,574,327	16,280,442	
1896	59,687,921	40,887,595	18,800,356	
1897	64,928,821	40,309,371	24,619,450	
1898	83,714,086	31,870,486	51,843,600	
1899	87,074,961	31,220,967	56,753,994	
1900	95,319,970	39,369,074	55,950,896	
1902	109,642,993	48,076,124	61,566,869	
1903	123,266,788	54,781,418	68,485,370	
1901	105,789,214	42,482,163	63,307,051	
1904	131,234,985	51,562,791	79,682,194	
1905	140,529,581	62,469,632	78,059,949	
1906	156,736,685	68,237,653	88,499,032	
1907	183,206,067	73,334,615	109,871,452	

a Period of reciprocal trade.

**Protection alone insures American labor against European pauper wages.**—Former Senator Casey, in the American Economist.

**The civilized world substantially protects itself, thus forcing us to protect ourselves.**—Hon. D. B. Henderson, in the American Economist.

**We ask that sober and sensible men compare the workings of the present tariff law and the conditions which obtain under it with the workings of the preceding tariff law of 1894 and the conditions which that tariff of 1894 helped to bring about.**—President Roosevelt's speech accepting 1904 nomination.

**I believe that a navy is the greatest insurer of peace that we could possibly have—a navy commensurate with our resources, and commensurate with our coast line, and commensurate with the number of dependencies we have, and commensurate with our population, and commensurate with our influence as a world power.**—Hon. Wm. H. Taft, at Cleveland, Ohio.

*Trade of the United States with Cuba, 1880 to 1908.*

Fiscal year ending June 30—	Imports into the United States from—	Exports from the United States to—
	Dollars.	Dollars.
1880.....	65,423,018	11,225,632
1881.....	68,003,401	11,361,585
1882.....	70,450,652	12,131,821
1883.....	65,644,534	15,103,703
1884.....	57,181,497	10,910,753
1885.....	42,306,033	9,006,160
1886.....	51,110,780	10,409,170
1887.....	40,515,434	10,546,411
1888.....	49,319,087	10,053,560
1889.....	52,130,623	11,691,311
1890.....	53,801,591	13,084,415
1891.....	61,714,395	12,224,888
1892.....	77,931,671	17,953,370
1893.....	78,706,506	24,157,698
1894.....	75,678,261	20,125,321
1895.....	52,871,259	12,807,061
1896.....	40,017,780	7,530,880
1897.....	18,406,815	8,259,776
1898.....	15,232,477	9,561,656
1899.....	25,408,828	18,616,877
1900.....	31,371,704	26,513,400
1901.....	43,423,088	25,964,801
1902.....	34,691,684	26,623,500
1903.....	62,942,790	21,761,638
1904.....	76,938,418	27,577,466
1905.....	86,301,259	38,390,601
1906.....	84,979,821	47,763,688
1907.....	97,441,690	49,306,274
1908.....		

**TARIFF IN REPUBLICAN AND DEMOCRATIC PLATFORMS  
1860 to 1908.****REPUBLICAN TARIFF PLANKS.**

1860

While providing revenue for the support of the General Government by duties upon imports, sound policy requires such an adjustment of these imposts as to encourage the development of the industrial interests of the whole country; and we commend that policy of national exchanges which secures to the workingmen liberal wages, to agriculture remunerative prices, to mechanics and manufacturers an adequate reward for their skill, labor, and enterprise, and to the Nation commercial prosperity and independence.

(1864 and 1868 no special reference to tariff.)

1872

The annual revenue, after paying current expenditures, pensions, and the interest on the public debt, should furnish a moderate balance for the reduction of the principal, and that revenue, except so much as may be derived from a tax on tobacco and liquors, should be raised by duties upon importations, the details of which should be so adjusted as to aid in securing remunerative wages to labor, and promote the industries, prosperity, and growth of the whole country.

1876

The revenue necessary for current expenditures and the obligations of the public debt must be largely derived from duties upon importations, which, so far as possible, should be adjusted to promote the interests of American labor and advance the prosperity of the whole country.

1880

We reaffirm the belief avowed in 1876, that the duties levied for the purpose of revenue should so discriminate as to favor American labor.



1884

It is the first duty of a good Government to protect the rights and promote the interests of its own people. The largest diversity of industry is most productive of general prosperity and of the comfort and independence of the people. We, therefore, demand that the imposition of duties on foreign imports shall be made not "for revenue only," but that in raising the requisite revenues for the Government such duties shall be so levied as to afford security to our diversified industries and protection to the rights and wages of the laborer, to the end that active and intelligent labor, as well as capital, may have its just reward and the laboring man his full share in the national prosperity. Against the so-called economic system of the Democratic party, which would degrade our labor to the foreign standard, we enter our earnest protest. The Democratic party has failed completely to relieve the people of the burden of unnecessary taxation by a wise reduction of the surplus. The Republican party pledges itself to correct the inequalities of the tariff and to reduce the surplus, not by the vicious and indiscriminate process of horizontal reduction, but by such methods as will relieve the taxpayer without injuring the labor or the great productive interests of the country. We recognize the importance of sheep-husbandry in the United States; the serious depression which it is now experiencing and the danger threatening its future prosperity; and we, therefore, respect the demands of the representatives of this important agricultural interest for a readjustment of duties upon foreign wool in order that such industry shall have full and adequate protection.

1888

We are uncompromisingly in favor of the American system of protection; we protest against its destruction as proposed by the President and his party. They serve the interests of Europe; we will support the interests of America. We accept the issue and confidently appeal to the people for their judgment. The protective system must be maintained. Its abandonment has always been followed by general disaster to all interests, except those of the usurer and the sheriff. We denounce the Mills bill as destructive to the general business, the labor, and the farming interests of the country, and we heartily indorse the consistent and patriotic action of the Republican representatives in Congress in opposing its passage. We condemn the proposition of the Democratic party to place wool on the free list, and we insist that the duties thereon shall be adjusted and maintained so as to furnish full and adequate protection to that industry throughout the United States. The Republican party would effect all needed reduction of the national revenue by repealing the taxes upon tobacco, which are an annoyance and burden to agriculture, and the tax upon spirits used in the arts and for mechanical purposes, and by such revision of the tariff laws as will tend to check imports of such articles as are produced by our people, the production of which gives employment to our labor, and release from import duties those articles of foreign production (except luxuries) the like of which cannot be produced at home. If there shall still remain a larger revenue than is requisite for the wants of the Government, we favor the entire repeal of internal taxes rather than the surrender of any part of our protective system, at the joint behests of the whisky trusts and the agents of foreign manufactures.

1892

We reaffirm the American doctrine of protection. We call attention to its growth abroad. We maintain that the prosperous condition of our country is largely due to the wise revenue legislation of the last Republican Congress. We believe that all articles which cannot be produced in the United States, except luxuries, should be admitted free of duty, and that on all imports coming into competition with the products of American labor there should be levied duties equal to the dif-



ference between wages abroad and at home. We assert that the prices of manufactured articles of general consumption have been reduced under the operations of the tariff act of 1890.

We denounce the efforts of the Democratic majority of the House of Representatives to destroy our tariff laws by piecemeal, as manifested by their attacks upon wool, lead, and lead ores, the chief product of a number of States, and we ask the people for their judgment thereon.

1896

We renew and emphasize the allegiance to the policy of protection as the bulwark of American industrial independence and the foundation of American development and prosperity. This true American policy taxes foreign products and encourages home industry; it puts the burden of revenue on foreign goods; it secures the American market for the American producer; it upholds the American standard of wages for the American workingman; it puts the factory by the side of the farm, and makes the American farmer less dependent on foreign demand and price; it diffuses general thrift, and founds the strength of all on the strength of each. In its reasonable application it is just, fair, and impartial; equally opposed to foreign control and domestic monopoly, to sectional discrimination, and individual favoritism. We denounce the present Democratic tariff as sectional, injurious to the public credit, and destructive to business enterprise. We demand such an equitable tariff on foreign imports which come into competition with American products as will not only furnish adequate revenue for the necessary expenses of the Government, but will protect American labor from degradation to the wage level of other lands. We are not pledged to any particular schedules. The question of rates is a practical question, to be governed by the conditions of the time and of production; the ruling and uncompromising principle is the protection and development of American labor and industry. The country demands a right settlement, and then it wants rest.

1900

We renew our faith in the policy of Protection to American labor. In that policy our industries have been established, diversified, and maintained. By protecting the home market competition has been stimulated and production cheapened. Opportunity to the inventive genius of our people has been secured and wages in every department of labor maintained at high rates, higher now than ever before, and always distinguishing our working people in their better condition of life from those of any competing country. Enjoying the blessings of the American common school, secure in the right of self-government, and protected in the occupancy of their own markets, their constantly increasing knowledge and skill have enabled them to finally enter the markets of the world. We favor the associated policy of reciprocity so directed as to open our markets on favorable terms for what we do not ourselves produce in return for free foreign markets.

1904

Protection which guards and develops our industries, is a cardinal policy of the Republican party. The measure of protection should always at least equal the difference in the cost of production at home and abroad. We insist upon the maintenance of the principle of protection, and, therefore, rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration, but this work cannot safely be committed to any other hands than those of the Republican party. To intrust it to the Democratic party is to invite disaster. Whether, as in 1892, the Democratic party declares the protective tariff unconstitutional, or whether it demands tariff reform or tariff revision, its real object is always the destruction of the protective system. *However specious the name the purpose is ever the*

same. A Democratic tariff has always been followed by business adversity; a Republican tariff by business prosperity. To a Republican Congress and a Republican President this great question can be safely intrusted. When the only free trade country among the great nations agitates a return to protection the chief protective country should not falter in maintaining it.

1908

The Republican Party declares unequivocally for the revision of the tariff by a special session of Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress which are now investigating the operation and effect of existing schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of maximum and minimum rates to be administered by the President under limitations fixed in the law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets, and the minimum to represent the normal measure of protection at home, the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system. Between the United States and the Philippines we believe in a free interchange of products with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests.

#### DEMOCRATIC TARIFF PLANKS.

1856

The time has come for the people of the United States to declare themselves in favor of free seas and progressive free trade throughout the world, and, by solemn manifestations, to place their moral influence at the side of their successful example.

1860

We, the Democracy of the Union, in convention assembled, hereby declare our affirmance of the resolutions unanimously adopted and declared as a platform of principles by the Democratic Convention in Cincinnati in the year 1856, believing that Democratic principles are unchangeable in their nature when applied to the same subject-matters.

1868

A tariff for revenue upon foreign imports, and such equal taxation under the Internal Revenue laws as will afford incidental protection to domestic manufactures, and as will, without impairing the revenue, impose the least burden upon and best promote and encourage the great industrial interests of the country.

1872

Recognizing that there are in our midst honest but irreconcilable differences of opinion with regard to the respective systems of protection and free trade, we remit the discussion of the subject to the people in the Congressional districts, and to the decision of the Congress thereon, wholly free from executive interference or dictation.

1876

We denounce the present tariff, levied upon nearly 4,000 articles, as a masterpiece of injustice, inequality, and false pretense. It yields a dwindling, not a yearly rising revenue.

It has impoverished many industries to subsidize a few. It prohibits imports that might purchase the products of American labor. It has degraded American commerce from the first to an inferior rank on the high seas. It has cut down the sales of American manufactures at home and abroad, and depleted the returns of American agriculture—an industry followed by half our people. It costs the people five times more than it produces to the Treasury, obstructs the process of production, and wastes the fruits of labor. It promotes fraud, fosters smuggling, enriches dishonest officials, and bankrupts honest merchants. We demand that all custom-house taxation shall be only for revenue.

1880

A tariff for revenue only.

1884

The Democratic party is pledged to revise the tariff in a spirit of fairness to all interests. But, in making the reduction in taxes, it is not proposed to injure any domestic industries, but rather to promote their healthy growth. From the foundation of this Government taxes collected at the custom-house have been the chief source of Federal revenue. Such they must continue to be. Moreover, many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step regardful of the labor and capital thus involved. The process of the reform must be subject in the execution to this plain dictate of justice—all taxation shall be limited to the requirements of economical government. The necessary reduction and taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country. Sufficient revenue to pay all the expenses of the Federal Government economically administered, including pensions, interest, and principal of the public debt, can be got under our present system of taxation from the custom-house taxes on fewer imported articles, bearing heaviest on articles of luxury and bearing lightest on articles of necessity. We, therefore, denounce the abuses of the existing tariff, and, subject to the preceding limitations, we demand that Federal taxation shall be exclusively for public purposes, and shall not exceed the needs of the Government economically administered.

1888

Our established domestic industries and enterprises should not and need not be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises by giving them assurance of an extended market and steady and continuous operations. In the interests of American labor, which should in no event be neglected, the revision of our tax laws contemplated by the Democratic party should promote the advantage of such labor by cheapening the cost of necessities of life in the home of every workingman, and at the same time securing to him steady and remunerative employment. Upon this question of tariff reform, so closely concerning every phase of our national life, and upon every question involved in the problem of good government, the Democratic party submits its principles and professions to the intelligent suffrages of the American people.

1892

We denounce Republican protection as a fraud, a robbery of the great majority of the American people for the benefit of the few. We declare it to be a fundamental principle of the Democratic party that the Federal Government has no constitutional

power to impose and collect tariff duties, except for the purposes of revenue only; and we demand that the collection of such taxes shall be limited to the necessities of the Government when honestly and economically administered. We denounce the McKinley tariff law enacted by the Fifty-first Congress as the culminating atrocity of class legislation; we indorse the efforts made by the Democrats of the present Congress to modify its most oppressive features in the direction of free raw materials and cheaper manufactured goods that enter into general consumption, and we promise its repeal as one of the beneficent results that will follow the action of the people in trusting power to the Democratic party. Since the McKinley tariff went into operation there have been ten reductions of the wages of the laboring man to one increase. We deny that there has been any increase of prosperity to the country since that tariff went into operation, and we point to the dullness and distress, to the wage reductions and strikes in the iron trade as the best possible evidence that no such prosperity has resulted from the McKinley act. We call the attention of thoughtful Americans to the fact that after thirty years of restrictive taxes against the importation of foreign wealth in exchange for our agricultural surplus the homes and farms of the country have become burdened with a real estate mortgage debt of over two thousand five hundred million dollars exclusive of all other forms of indebtedness: that in one of the chief agricultural States of the West there appears a real estate mortgage debt averaging \$165 per capita of the total population, and that similar conditions and tendencies are shown to exist in the other agricultural exporting States. We denounce a policy which fosters no industry so much as it does that of the sheriff.

1896

We hold that tariff duties should be levied for purposes of revenue, such duties to be so adjusted as to operate equally throughout the country and not discriminate between class or section, and that taxation should be limited by the needs of the Government honestly and economically administered. We denounce, as disturbing to business, the Republican threat to restore the McKinley law, which has been twice condemned by the people in national elections, and which, enacted under the false plea of protection to home industry, proved a prolific breeder of trusts and monopolies, enriched the few at the expense of the many, restricted trade, and deprived the producers of the great American staples of access to their natural markets.

1900

We condemn the Dingley Tariff law as a trust-breeding measure, skillfully devised to give the few favors which they do not deserve and to place upon the many burdens which they should not bear. We reaffirm and indorse the principles of the National Democratic platform adopted at Chicago in 1896.

1904

The Democratic party has been, and will continue to be, the consistent opponent of that class of tariff legislation by which certain interests have been permitted, through Congressional favor, to draw a heavy tribute from the American people. This monstrous perversion of those equal opportunities which our political institutions were established to secure has caused what may once have been infant industries to become the greatest combinations of capital that the world has ever known. These especial favorites of the government have, through trust methods, been converted into monopolies, thus bringing to an end domestic competition, which was the only alleged check upon the extravagant profits made possible by the protective system. These industrial combinations, by the financial assistance they can give, now control the policy of the Republican party. We denounce protectionism as a robbery of the many to enrich the few, and we favor a tariff limited to the needs of the Government, economically, effectively, and constitutionally administered, and so levied as not to discriminate

against any industry, class, or section to the end that the burdens of taxation shall be distributed as equally as possible.

We favor a revision and a gradual reduction of the tariff by the friends of the masses and for the common weal, and not by the friends of its abuses, its extortions, and its discriminations, keeping in view the ultimate end of "equality of burdens and equality of opportunities" and the constitutional purpose of raising a revenue by taxation, to wit, the support of the Federal Government in all its integrity and virility, but in simplicity.

1908

We welcome the belated promise of tariff reform now offered by the Republican party in tardy recognition of the righteousness of the Democratic position on this question; but the people can not safely entrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican party. We call attention to the significant fact that the promised relief is postponed until after the coming election—an election to succeed in which the Republican party must have that same support from the beneficiaries of the high protective tariff as it has always heretofore received from them; and to the further fact that during years of uninterrupted power no action whatever has been taken by the Republican Congress to correct the admittedly existing tariff iniquities. We favor the immediate revision of the tariff by the reduction of import duties. Articles entering into competition with trust-controlled products should be placed upon the free list, and material reduction should be made in the tariff upon the necessities of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reduction should be made in such other schedules as may be necessary to restore the tariff to a revenue basis. Existing duties have given to the manufacturers of paper a shelter behind which they have organized combinations to raise the price of pulp and paper, thus imposing a tax upon the spread of knowledge. We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber and logs, and that these articles be placed upon the free list.

#### PETROLEUM DUTIES.

##### The Countervailing Duty on Petroleum—Originated in Democratic Tariff Act.

Much criticism has been made in recent years of the fact that the Dingley tariff law, so called, the law now in operation, places a duty on petroleum, or mineral oil, imported from countries which impose a duty on petroleum or its products exported from the United States; and the charge has been made by the Democrats that this was placed in the Dingley Tariff Act at the instance of, or through the secret workings of, the Standard Oil Company. If this be true it merely illustrates the danger of accepting, even in a single instance, a precedent or plan established by the Democratic party, since this proposition of placing a countervailing duty on petroleum from countries which impose duties on like products from the United States first made its appearance in the Wilson tariff Act of 1894. The provisions of the Wilson and Dingley Acts upon this subject are given below in parallel columns.

Tariff Act of August 27, 1894.  
(Wilson Tariff Act.)

"Petroleum, crude or refined, free: *Provided*, That if there be imported into the United States crude petroleum produced in any country which imposes a duty on petroleum or its products exported from the United States, there shall be levied, collected and paid upon said crude petroleum or its products so imported, forty per centum ad valorem."

Tariff Act of July 24, 1897.  
(Dingley Tariff Act.)

"Petroleum, crude or refined, free: *Provided*, That if there be imported into the United States crude petroleum or the products of crude petroleum produced in any country which imposes a duty on petroleum or its products exported from the United States, there shall in such cases be levied, paid, and collected a duty upon said crude petroleum or its products so imported equal to the duty imposed by such country."

It will be noted by a careful examination of the above that the countervailing duty proposition of the Dingley Act is precisely that of the Wilson Act, except that the Wilson Act made the rate of duty 40 per cent irrespective of the rate enforced against American petroleum, while the Dingley act makes the rate of duty the same as that imposed upon our petroleum by the country from which the product is imported.

**Number and Average Price and Total Value of Sheep in the United States in each year from 1880 to 1907.**

This table shows the number and total value of sheep in the United States in each year from 1880 to 1908 and the average value per head on January 1 of the years named. It will be noted that the number, the value per head, and the total value fell steadily from January 1 during the entire Democratic and low tariff period; the number falling from over 47 millions to less than 37 millions, the price per head, from \$2.66 in 1893 to \$1.58 in 1895; and the total value, from 125 million dollars in 1893 to 65 millions in 1896; while with the restoration of protection the number, price per head, and total value rapidly advanced: the number in 1908 being 54½ millions, against less than 37 millions in 1896; the price per head, \$3.89, against \$1.70 in 1896, and the total value 212 millions, against 65 millions in 1896; the value of the sheep in the United States having thus more than trebled in the 12 years since the election of McKinley.

[From report of Department of Agriculture.]

Year	Number of sheep.	Average price per head.	Total value.
January 1—			
1880	40,765,900	\$2.21	\$90,230,537
1881	43,550,849	2.39	101,070,861
1882	45,016,224	2.37	106,595,934
1883	49,237,291	2.53	124,365,835
1884	50,626,626	2.37	119,902,706
1885	50,360,243	2.14	107,960,650
1886	48,322,331	1.91	92,443,867
1887	44,759,314	2.01	89,872,839
1888	43,544,755	2.05	89,279,926
1889	42,509,079	2.13	90,640,309
1890	44,336,072	2.27	100,659,761
1891	43,431,136	2.50	108,397,447
1892	44,938,365	2.58	116,121,290
1893	47,273,553	2.63	125,009,264
1894	45,048,017	1.98	89,186,110
1895	42,394,064	1.58	66,685,767
1896	38,298,783	1.70	65,167,735
1897	36,818,643	1.82	67,020,942
1898	37,656,960	2.46	92,721,133
1899	39,114,453	2.75	107,807,530
1900	41,883,065	2.93	122,665,913
1901	50,756,718	2.98	178,072,476
1902	62,039,091	2.65	164,446,091
1903	63,964,876	2.63	168,315,750
1904	51,630,144	2.59	133,530,009
1905	45,170,423	2.82	127,331,850
1906	50,631,619	3.54	179,056,144
1907	53,240,282	3.84	204,210,129
1908	54,631,000	3.88	211,736,000

**Wholesale Prices of Boots and Shoes, 1897 to 1902.**

The purpose of this table is to give opportunity to determine whether an advance in prices of boots and shoes followed the enactment of the Dingley law, which placed a duty of 15 per cent on hides imported. It will be seen that after the Act had been four years in operation, prices were in many cases materially less than in the first week of 1897, and prior to the enactment of the Dingley law; that in certain cases prices in 1902 were unchanged, while some others showed but a slight advance, indicating that no general advance occurred in the price of boots and shoes by reason of the duty placed on hides by the Dingley law. While prices advanced in later years coincidentally with the advance in price of labor and materials, the fact that



advance occurred for four years after the imposition of the tariff on hides shows that that act did not affect home prices, but that recent advances are due to other causes.

*Wholesale prices of boots and shoes, 1897—1902.*

[From Dun's Review.]

a First week in—	Men's grain shoes.	Men's satin shoes.	Wax brogans No. 1.	Men's kip shoes.	Men's calf shoes.	Men's split boots.	Men's kip boots.	Men's calf boots.	Women's grain shoes.	Women's split shoes.
1897 Jan.-----	\$1.07½	\$1.17½	\$0.97½	\$1.10	\$1.75	\$1.80	\$1.85	\$2.25½	\$0.87½	\$0.85
April-----	1.06	1.17½	.92½	1.10	1.70	1.80	1.82½	2.15	.90	.87½
July-----	1.07½	1.15	.90	1.05	1.70	1.85	1.87½	2.15	.88	.85
Oct-----	1.02½	1.17½	.85	1.10	1.77½	1.87½	1.82½	2.25	.90	.87½
1898 Jan.-----	1.02½	1.15	.92½	1.10	1.75	1.87½	1.82½	2.25	.86	.87½
April-----	1.07½	1.15	.92½	1.07½	1.70	1.85	1.80	2.22½	.86	.85
July-----	1.00	1.17½	.95	1.10	1.72½	1.87½	1.82½	2.27½	.85	.85
Oct-----	1.00	1.17½	.92½	1.10	1.70	1.87½	1.82½	2.25	.85	.85
1899 Jan.-----	.97½	1.12½	.92½	1.07½	1.70	1.85	1.80	2.22½	.84	.85
April-----	.95	1.12½	.92½	1.07½	1.70	1.85	1.80	2.22½	.84	.82½
July-----	1.00	1.15	.95	1.12½	1.70	1.87½	1.85	2.25	.85	.85
Oct-----	1.02½	1.17½	.97½	1.12½	1.70	1.87½	1.85	2.27½	.87½	.87½
1900 Jan.-----	1.12½	1.25	1.02½	1.17½	1.80	1.40	1.42½	2.85	.87½	.75
April-----	1.12½	1.22½	1.02½	1.20	1.80	1.40	1.47½	2.85	.87½	.75
July-----	1.07½	1.17½	.97½	1.15	1.75	1.35	1.40	2.80	.85	.72½
Oct-----	1.02½	1.12½	.95	1.12½	1.75	1.35	1.40	2.80	.85	.72½
1901 Jan.-----	1.07½	1.15	.97½	1.15	1.75	1.32½	1.40	2.80	.84	.72½
April-----	1.05	1.12½	.97½	1.15	1.75	1.30	1.37½	2.80	.84	.72½
July-----	1.02½	1.10	.95	1.12½	1.72½	1.27½	1.35	2.80	.82½	.72½
Oct-----	1.02½	1.10	.95	1.12½	1.72½	1.27½	1.35	2.80	.82½	.72½
1902 Jan.-----	1.05	1.12½	.97½	1.15	1.75	1.35	1.42½	2.80	.85	.70

a Prices quoted are for the dates nearest to the first of the month for which data are available.

**Coal Production in the United Kingdom, Germany and the United States.**

This table, showing the coal production and consumption in free trade United Kingdom and protective Germany and the United States from 1875 to 1906, is given with the purpose of indicating the relative growth of industries in the two countries under protective tariffs compared with that of free trade United Kingdom. It will be seen that the consumption of coal in free trade United Kingdom grew from 115 million tons to 174 mil-

lions; in protective Germany, from 47 million tons to 189 millions; and in protective United States, from 48 millions to 359 millions in the period under consideration.

*Coal production and consumption in the United Kingdom, Germany, and the United States, for the years named.*

Years.	United Kingdom.		Germany.		United States.	
	Production in gross tons of 2,240 lbs.	Consumption in gross tons of 2,240 lbs.	Production in gross tons of 2,240 lbs.	Consumption in gross tons of 2,240 lbs.	Production in gross tons of 2,240 lbs.	Consumption in gross tons of 2,240 lbs.*
1875.....	133,303,000	115,304,000	37,019,000	46,810,000	46,739,000	47,892,000
1880.....	146,989,000	123,067,000	53,181,000	56,102,000	63,823,000	60,670,000
1885.....	153,351,000	128,585,000	72,513,000	69,612,000	91,250,000	103,832,000
1890.....	181,611,000	142,954,000	87,881,000	89,384,000	140,897,000	125,117,481
1895.....	180,631,000	146,754,000	102,317,000	104,204,000	172,126,000	119,904,000
1900.....	225,181,000	166,776,000	147,423,000	147,433,000	240,789,000	221,087,000
1901.....	219,017,000	161,264,000	150,603,000	149,733,000	261,875,000	256,374,000
1902.....	227,095,000	166,694,000	148,222,000	146,436,000	269,277,000	266,143,000
1903.....	230,334,000	166,529,000	159,892,000	157,250,000	319,033,000	312,001,000
1904.....	232,428,000	166,606,000	168,775,000	163,773,000	311,122,000	306,136,000
1905.....	236,129,000	168,968,000	171,037,000	170,248,000	350,615,000	342,571,000
1906.....	251,068,000	174,279,000	190,482,000	188,626,000	363,783,000	359,131,000

\* Inclusive of bunker coal laden on vessels in the foreign trade.

Note.—The amount of British bunker coal loaded on vessels in the foreign trade not found prior to 1875.

**Trade Balances under Protective and Low Tariffs, Respectively, 1790-1908.**

This table shows the excess of exports or imports in the trade of the United States in each year from 1789 to date, all years in which low tariffs were in operation being shown in one column and all those in which protective tariffs were in operation shown in another column. In 49 of the 60 years of low tariffs imports exceeded exports, and the net excess of importations under low tariffs from 1790 to date was \$514,954,941. In 36 of the 59 years of protective tariffs exports exceeded imports, the net excess of exports under protective tariffs being \$5,933,348,822, against a net excess of imports under low tariffs of \$514,954,941. *The excess of exports over imports in the fiscal year 1908 was the largest in the history of our commerce.*

Attention is especially called to the brief statement which immediately follows this table, comparing the net excess of exports over imports in the 11 years since the inauguration of President McKinley with the 109 years prior to his inauguration. It will be seen that the *net excess of exports over imports from 1790 to March 1, 1897, was \$383,028,497, and the net excess of exports over imports from March 1, 1897, to March 1, 1908, is \$5,550,550,773, or more than 14 times in the 11 years from 1897 to 1908 as much as in the entire 109 years preceding that date.*

I believe in the doctrine of protection because the facts of our national experience thoroughly exemplify its truth. No great American statesman, except the half-forgotten leaders of the slave power, have disowned the protective system.—Hon. J. P. Dolliver, in the American Economist.

If we assume control over a people merely in the spirit of conquest and merely to extend our control and merely from the lust of power, then we may be properly denounced as imperialists; but if we assume control over a people for the benefit of that people and with the purpose of developing them to a self-governing capacity, and with the intention of giving them the right to become independent when they shall show themselves fit, then the charge that we are imperialists is utterly without foundation.—Hon. Wm. H. Taft, at Cleveland, Ohio.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAYLOR'S ELECTION.—New York World.

**Trade Balances Under Protection and Low Tariff,  
N  
Respectively, 1790-1908.**

*Years in which low tariffs and protective tariffs, respectively, have been in operation in the United States, showing the excess of imports or exports in each year and the total excess of imports or exports under each system.*

[Compiled from official statements of the Bureau of Statistics.]

Fiscal Year.	Low Tariffs.		Fiscal Year.	Protective Tariffs.	
	Excess of imports.	Excess of exports.		Excess of imports.	Excess of exports.
1790	\$2,794,844		1813		\$5,851,017
1791	10,187,959		1814	\$6,037,559	
1792	10,746,902		1815	60,483,521	
1793	4,990,428		1816	65,182,948	
1794	1,556,275		1825		549,023
1795	21,766,396		1826	5,202,722	
1796	22,861,539		1827		2,977,009
1797	24,084,666		1828	16,998,873	
1798	7,224,289		1829		345,736
1799	403,626		1830		8,949,779
1800	20,280,998		1831	23,589,527	
1801	18,342,998		1832	13,001,159	
1802	4,376,189		1833	13,519,211	
1803	8,866,633		1843		40,392,225
1804	7,300,926		1844		3,141,226
1905	25,033,979		1845	71,44,211	
1806	27,873,037		1846	41,65,409	
1807	30,158,850		1862		1,313,824
1808	34,559,040		1863	39,371,368	
1809	7,196,767		1864	157,609,295	
1810	18,642,030		1865	72,716,277	
1811		\$7,916,832	1866	85,932,544	
1812	38,502,764		1867	101,254,955	
1817	11,578,431		1868	75,483,541	
1818	28,408,867		1869	131,388,682	
1819	16,982,479		1870	43,186,640	
1820	4,758,331		1871	77,403,506	
1821		75,489	1872	182,417,461	
1822	18,521,594		1873	119,656,288	
1823	4,155,328		1874		18,876,698
1824	3,197,067		1875	19,562,725	
1834	6,349,485		1876		79,643,481
1835	21,548,493		1877		151,152,094
1836	52,240,450		1878		257,814,234
1837	19,029,676		1879		264,661,666
1838		9,008,282	1880		167,683,912
1839	44,245,283		1881		259,712,718
1840		25,410,226	1882		25,902,683
1841	11,140,073		1883		100,658,488
1842		3,802,924	1884		72,815,916
1846	4,165,408		1885		164,662,426
1847		34,317,249	1886		44,088,604
1848	10,448,129		1887		23,863,443
1849	855,027		1888	28,002,607	
1850	29,133,800		1889	2,730,297	
1851	21,856,170		1890		68,518,275
1852	40,456,167		1891		39,564,614
1853	60,287,983		1892		202,875,686
1854	60,700,039		1893	18,735,728	
1855	38,809,205		1894		237,145,950
1856	29,212,887		1898		615,432,676
1857	54,604,582		1899		529,874,813
1858		8,672,620	1900		544,541,898
1859	38,431,290		1901		664,502,826
1860	20,010,062		1902		478,398,453
1861	69,756,709		1903		394,422,442
1865		75,568,200	1904		469,739,900
1866		102,882,264	1905		401,048,505
1867		286,263,144	1906		517,302,054
1868			1907		446,429,654
1869			1908		666,431,554
Total	1,068,872,171	553,917,230	Total	1,371,397,654	7,971,375,681

**Excess of Imports Under Low Tariff, and Excess of Exports  
Under Protection.**

Net excess of imports under low tariffs	\$514,954,911
Net excess of exports under protective tariffs	6,593,978,021
Net excess of exports over imports from 1789 to March 1, 1897	383,028,497
Net excess of exports over imports from March 1, 1897, to March 1, 1908	5,550,550,773



TABLE No. 1—Total value of imports and exports into and from the United States from October 1, 1789, to June 30, 1907, under low and protective tariffs respectively.

Adminis- tration.	Fiscal year.	Merchandise.				Fiscal year.	Tariffs.
		Imports.	Exports.	Excess of Imports.	Excess of Exports.		
Washington.	1790	\$23,000,000	\$20,205,156	\$2,794,844		1790	Formative.
	1791	20,200,000	19,012,011	10,187,951		1791	
	1792	31,500,000	20,751,048	10,748,952		1792	
	1793	31,100,000	26,101,572	4,998,428		1793	
	1794	34,600,000	33,013,725	1,586,275		1794	
	1795	69,756,268	47,989,872	21,766,396		1795	
	1796	81,436,161	53,574,025	22,861,139		1796	
	1797	75,379,406	51,294,710	24,084,696		1797	
	1798	68,551,700	61,327,411	7,224,289		1798	
	1799	79,099,148	78,665,522	403,626		1799	
Adams.	1800	91,252,768	70,971,760	20,280,988		1800	Formative.
	1801	111,333,511	93,020,513	18,312,998		1801	
	1802	76,333,333	71,957,144	4,376,189		1802	
	1803	61,636,666	57,800,083	8,866,633		1803	
	1804	85,000,000	77,634,074	7,365,926		1804	
	1805	120,600,000	95,568,021	25,031,979		1805	
	1806	129,110,000	101,536,963	27,573,037		1806	
	1807	138,500,000	108,313,150	30,186,850		1807	
	1808	56,900,000	22,430,960	34,469,040		1808	
	1809	59,400,000	52,203,233	7,196,767		1809	
Jefferson.	1810	85,400,000	66,757,970	18,642,030		1810	Protective.
	1811	53,400,000	61,316,832		\$7,916,832	1811	
	1812	77,030,000	38,527,236	38,502,764		1812	
	1813	22,005,000	27,856,017		5,851,017	1813	
	1814	12,065,000	6,927,441	6,037,559		1814	
	1815	113,041,274	52,577,753	60,463,521		1815	
	1816	147,103,000	81,920,052	65,182,948		1816	
	1817	99,250,000	87,671,569	11,578,431		1817	
	1818	121,750,000	93,281,133	28,468,867		1818	
	1819	87,125,000	70,142,521	16,982,479		1819	
Madison.	1820	74,450,000	69,691,689	4,758,311		1820	Low.
	1821	54,520,834	54,506,323		75,489	1821	
	1822	79,871,695	61,350,101	18,521,594		1822	
	1823	72,481,371	68,326,013	4,155,358		1823	
	1824	72,169,172	68,972,105	3,197,067		1824	
	1825	90,189,310	90,738,333		519,023	1825	
	1826	79,093,511	72,890,789	5,202,722		1826	
	1827	71,332,938	74,309,917		2,977,000	1827	
	1828	81,020,083	64,021,210	16,998,873		1828	
	1829	67,088,915	67,434,651		315,736	1829	
Monroe.	1830	62,720,956	71,670,735		8,949,779	1830	Protective.
	1831	95,885,170	72,295,652	23,589,517		1831	
	1832	95,121,762	81,520,603	13,601,159		1832	
	1833	101,017,013	87,528,732	13,519,211		1833	
	1834	108,600,700	102,260,215	6,340,485		1834	
	1835	136,781,295	115,215,802	21,565,493		1835	
	1836	176,579,151	124,338,704	52,240,447		1836	
	1837	130,172,803	111,413,127	19,029,676		1837	
	1838	95,970,288	104,978,570		9,008,282	1838	
	1839	156,496,956	122,251,673	44,245,283		1839	
Adams.	1840	98,258,706	123,608,932		25,410,226	1840	Low.
	1841	122,957,544	111,817,471	11,140,073		1841	
	1842	96,075,071	99,877,995		3,802,924	1842	
	1843	42,433,464	82,825,689		40,392,225	1843	
	1844	102,601,606	105,745,832		3,144,226	1844	
	1845	113,184,322	106,040,111	144,211		1845	
	1846	117,914,065	109,583,248	8,330,817		1846	
	1847	122,424,319	156,741,598		34,317,249	1847	
	1848	148,638,614	138,190,515	10,448,129		1848	
	1849	141,203,199	140,351,172	855,027		1849	
Jackson.	1850	173,509,526	144,375,726	29,133,800		1850	Low.
	1851	210,771,429	188,915,250	21,856,179		1851	
	1852	207,440,398	166,984,231	40,456,167		1852	
	1853	263,777,205	203,489,282	60,287,923		1853	
	1854	297,803,791	237,043,764	60,760,030		1854	
	1855	257,808,708	218,900,503	38,899,205		1855	
	1856	310,432,310	241,219,423	29,212,887		1856	
	1857	384,428,342	293,823,760	54,604,582		1857	
	1858	263,338,654	272,011,274		8,672,620	1858	
	1859	331,333,341	292,902,051	38,431,290		1859	
Van Buren.	1860	333,616,119	333,576,057	20,010,062		1860	Protective.
	1861	289,310,542	219,553,833	69,756,709		1861	
	1862	189,356,677	190,670,501		1,313,824	1862	
	1863	243,335,815	203,961,447	39,374,368		1863	
	1864	316,417,283	158,837,928	157,600,295		1864	
	1865	238,715,580	166,029,303	72,716,277		1865	
	1866	431,812,066	348,859,522	85,952,544		1866	
	1867	395,761,098	291,506,141	101,254,955		1867	
	1868	357,436,140	281,952,899	75,483,241		1868	
	1869	417,506,379	286,117,697	131,388,682		1869	
Fillmore.	1870	435,958,108	392,771,768	43,186,340		1870	Low.
	1871	529,223,681	442,820,178	77,403,506		1871	
	1872	626,595,077	441,177,586	185,417,491		1872	
	1873	612,136,210	522,479,922	119,656,288		1873	
	1874	507,406,342	586,283,040		18,876,698	1874	
	1875	533,005,436	513,442,711	19,562,725		1875	
	1876	460,741,190	540,384,671		79,643,481	1876	
Grant.	1877					1877	Protective.
	1878					1878	
	1879					1879	
	1880					1880	
	1881					1881	
	1882					1882	
	1883					1883	
	1884					1884	
	1885					1885	
	1886					1886	



TABLE NO. 1.—Total value of imports and exports into and from the United States from October 1, 1789, to June 30, 1897, under low and protective tariffs, respectively.—Continued.

Adminis- trator	Fiscal year.	Merchandise.				Fiscal year.	Tariffs.
		Imports.	Exports.	Excess of imports.	Excess of exports.		
Mc- Kinley	1877..	451,323,126	602,475,220	-----	151,152,904	1877..	Protective.
	1878..	437,051,532	694,895,766	-----	257,844,234	1878..	
	1879..	445,777,775	710,439,411	-----	264,661,636	1879..	
	1880..	667,951,746	835,638,658	-----	167,686,912	1880..	
	1881..	612,604,628	902,377,316	-----	289,772,718	1881..	
	1882..	721,639,574	750,512,257	-----	28,872,683	1882..	
	1883..	723,180,914	823,339,402	-----	100,158,488	1883..	
	1884..	667,697,693	740,513,609	-----	72,815,916	1884..	
	1885..	577,527,329	742,189,755	-----	164,662,426	1885..	
	1886..	635,436,136	679,524,830	-----	44,088,694	1886..	
Harrison	1887..	692,319,708	716,188,211	-----	23,868,443	1887..	Protective.
	1888..	723,957,114	695,951,507	28,005,607	-----	1888..	
	1889..	745,131,652	742,401,375	2,730,277	-----	1889..	
	1890..	780,310,403	857,823,681	-----	68,513,278	1890..	
	1891..	841,916,196	881,489,810	-----	39,573,614	1891..	
	1892..	827,102,462	1,030,278,118	-----	202,875,656	1892..	
	1893..	864,000,922	847,665,191	18,735,728	-----	1893..	
	1894..	651,994,022	892,140,572	-----	237,115,950	1894..	
	1895..	731,909,905	807,538,165	-----	75,568,260	1895..	
	1896..	772,724,674	832,606,938	-----	102,882,264	1896..	
Roosevelt	1897..	764,730,412	1,050,993,553	-----	286,263,141	1897..	Protective.
	1898..	616,019,654	1,231,482,330	-----	615,462,676	1898..	
	1899..	697,148,489	1,227,023,302	-----	529,874,813	1899..	
	1900..	849,941,184	1,374,483,082	-----	544,541,898	1900..	
	1901..	823,172,165	1,487,764,991	-----	664,592,826	1901..	
	1902..	903,330,948	1,381,719,401	-----	478,388,453	1902..	
	1903..	1,025,719,237	1,420,141,679	-----	394,422,442	1903..	
	1904..	901,087,371	1,460,827,271	-----	469,739,900	1904..	
	1905..	1,117,513,071	1,518,531,666	-----	401,018,595	1905..	
	1906..	1,226,532,446	1,743,861,500	-----	517,329,054	1906..	
Total	1907..	1,434,421,425	1,880,851,078	-----	446,429,653	1907..	Protective.
	1908..	1,194,341,792	1,890,778,316	-----	696,436,524	1908..	
Total: .....		10,243,189,595	46,828,278,311	-----	6,085,088,716	-----	-----

Protection steadily enlarges the home market for farm products.—Hon. L. R. Casey.

I am a protectionist because our country has prospered with protection and languished without it.—Hon. B. F. Jones, in the American Economist.

As a result in a large degree of our protective tariff system, the United States has become one of the foremost nations of the world.—Hon. S. M. Cullom.

The present business system of the country rests on the protective tariff and any attempt to change it to a free trade basis will certainly lead to disaster.—Hon. Wm. H. Taft, at Columbus, Ohio.

The Republican principle of the protective tariff is, as I understand it, that through the customs revenue law a tariff should be collected on all imported products that compete with American products, which will at least equal a difference in the cost of production in this country and abroad, and that proper allowance should be made in this difference for the reasonable profits to the American manufacturer.—Hon. Wm. H. Taft, at Columbus, Ohio.

We shall continue our American system of Protection developed and perfected by the Republican party. We shall continue to raise a large portion of our revenues and at the same time protect our labor and industries by adequate and equitable duties on competing imports. We shall continue to maintain the highest wage scale on earth and keep our standard of living the best of all nations through the home market that is, and I believe always will be, the envy of the civilized world.—Hon. James S. Sherman.

Under our policy of free trade we have lost that commercial and industrial superiority we acquired under the policy of strict protection. Our policy of direct taxation bears heavily upon our industries and reacts on the working classes in reduction of wages and employment. Our agriculture has been ruined and our industries are struggling hard for existence. Other nations, under a policy of strict protection, are beating us in the race of competition, not only in neutral, but in our own markets.—Sir Guilford L. Molesworth on Free Trade in England.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.



## Receipts and expenditures of the United States Government from 1791 to 1907.

(From official reports of the United States Government, 1907.)

Admin- istration.	Year ending Dec. 31—	Total net ordinary receipts.	Total net ordinary expenditures.	Excess of receipts.	Excess of expendi- tures.	Tariffs.
Washington.	1791	\$4,409,951.19	\$3,097,425.55	\$1,312,498.64		
	1792	3,669,960.31	8,289,860.75		\$1,599,900.44	
	1793	4,652,923.14	3,846,929.90	805,993.24		
	1794	5,431,904.87	6,297,822.01		805,917.17	
	1795	6,114,534.59	7,309,600.78		1,195,066.19	
	1796	8,377,529.65	5,790,650.83	2,586,878.82		
	1797	8,688,780.99	6,008,627.25	2,680,153.74		
	1798	7,900,495.80	7,607,586.32	292,909.48		
	1799	7,516,813.31	9,295,818.13		1,749,004.82	
	1800	10,848,749.10	10,818,971.01	34,778.09		
	1801	12,985,330.95	9,393,409.96	3,541,830.99		
Adams.	1802	14,995,793.95	7,976,252.07	7,019,541.88		
	1803	11,064,097.63	7,052,286.60	3,111,811.03		
	1804	11,826,307.38	8,637,907.65	3,188,340.73		
	1805	13,560,693.20	9,014,348.84	4,546,344.36		
	1806	15,559,931.07	9,449,177.62	6,110,753.45		
	1807	16,398,019.26	8,351,151.37	8,043,867.89		
	1808	17,060,661.93	9,061,413.06	7,999,248.87		
	1809	7,778,473.12	10,280,747.04		2,507,273.92	
	1810	9,384,214.28	8,474,753.37	909,460.91		
	1811	14,222,634.00	8,178,040.43	6,044,593.66		
	1812	9,801,182.76	20,280,771.27		10,479,638.51	
Jefferson.	1813	14,340,469.95	31,681,852.14		17,341,442.19	
	1814	11,181,625.16	34,720,925.42		23,539,300.26	
	1815	15,696,916.82	32,913,661.24		17,246,744.42	
	1816	47,676,985.66	31,193,353.92	16,480,629.74		
Madison.	1817	33,099,049.74	19,900,892.47	13,198,157.27		
	1818	21,585,171.04	20,018,627.81	1,566,543.23		
	1819	24,603,374.37	21,512,004.00	3,091,370.37		
	1820	17,840,669.55	18,285,531.89		444,865.34	
Monroe.	1821	14,573,379.72	15,819,552.86		1,276,173.14	
	1822	20,232,427.94	15,000,432.30	5,231,995.64		
	1823	20,540,666.26	14,706,629.99	5,834,036.27		
	1824	19,381,212.79	20,273,702.64		892,489.85	
Adams.	1825	21,840,858.02	15,857,217.34	5,983,640.68		
	1826	25,260,434.21	17,037,859.22	8,222,574.99		
	1827	22,966,363.96	16,139,167.16	6,827,196.80		
	1828	24,763,929.23	16,304,812.05	8,369,087.18		
	1829	24,827,627.38	15,184,053.63	9,643,573.75		
	1830	24,844,116.52	15,142,108.26	9,702,008.25		
	1831	28,526,820.82	15,237,816.64	13,289,004.18		
	1832	31,867,450.66	17,288,950.27	14,578,500.39		
	1833	33,918,426.25	23,017,551.98	10,930,874.27		
	1834	21,791,935.55	18,627,570.23	3,164,365.32		
Jackson.	1835	35,430,087.10	17,572,813.36	17,857,273.74		
	1836	50,826,796.08	30,868,164.04	19,958,632.04		
	1837	24,954,153.04	37,243,214.24		12,289,061.20	
	1838	26,302,561.74	33,864,714.56		7,562,152.82	
	1839	31,482,749.61	26,806,782.62	4,585,966.99		
	1840	19,480,115.33	24,314,518.19		4,834,402.86	
	1841	16,860,160.27	26,481,817.84		9,621,657.57	
	1842	19,976,197.25	25,184,886.44		5,158,689.19	
	1843*	8,231,001.26	11,780,092.51		3,549,091.25	
	1844	29,320,707.78	22,483,560.14	6,837,147.64		
Van Buren.	1845	29,970,105.80	22,935,827.79	7,034,278.01		
	1846	29,699,967.74	27,261,182.86	2,438,784.88		
	1847	26,467,403.16	51,920,734.09		28,453,330.93	
	1848	35,608,699.21	47,618,320.65		11,919,521.44	
Harrison.	1849	30,721,077.50	43,499,078.30		12,778,000.80	
	1850	43,592,888.88	40,948,383.12	2,644,505.76		
	1851	52,555,039.33	47,751,478.41	4,803,560.92		
	1852	49,846,815.60	44,390,352.36	5,456,463.24		
	1853	61,587,031.68	47,743,989.09	13,843,042.59		
	1854	73,800,341.40	55,038,355.11	18,761,986.29		
	1855	65,350,574.68	58,680,662.71	6,719,911.97		
	1856	74,056,699.24	68,726,350.01	5,330,349.23		
	1857	68,965,312.57	67,634,403.93	1,330,908.64		
	1858	46,655,365.96	73,982,492.84		27,327,126.88	
Tyler.	1859	52,777,101.92	68,993,599.77		16,216,491.85	
	1860	56,051,599.83	63,200,875.65		7,146,275.82	
	1861	41,476,299.49	66,650,213.08		25,173,913.59	
	1862	51,919,261.09	469,570,241.65		417,650,980.56	
	1863	112,004,945.51	718,731,276.18		606,639,340.67	
	1864	243,412,971.20	864,969,100.83		621,553,129.63	
	1865	322,031,158.19	1,295,099,289.58		973,068,131.39	
	1866	519,949,564.33	519,022,356.34	927,208.01		
	1867	469,846,079.62	346,729,325.78	116,117,351.14		
	1868	376,434,453.82	370,339,133.82	6,095,320.00		
Polk.	1869	357,188,256.09	321,190,597.75	35,997,658.34		
	1870					
Fillmore.	1871					
	1872					
	1873					
	1874					
	1875					
	1876					
	1877					
	1878					
	1879					
	1880					
Pierce.	1881					
	1882					
	1883					
	1884					
	1885					
	1886					
	1887					
	1888					
	1889					
	1890					
Benson.	1891					
	1892					
	1893					
	1894					
	1895					
	1896					
	1897					
	1898					
	1899					
	1900					
Cleveland.	1901					
	1902					
	1903					
	1904					
	1905					
	1906					
	1907					
	1908					
	1909					
	1910					

Formulative period.

Protective.

Low.

Protective.

Low.

Protective.

Low.

Protective.

## Receipts and expenditures of the United States Government from 1791 to 1907—Continued.

Admin- istra- tion.	Year ending Dec. 31—	Total net ordinary receipts.	Total net ordinary expenditures.	Excess of receipts.	Excess of expendi- tures.	Tariff.
Grant.	1870	395,959,833.87	293,657,005.15	102,302,828.72		
	1871	374,491,104.94	233,160,393.51	91,270,711.43		
	1872	364,691,229.91	270,559,695.91	94,134,534.00		
	1873	322,177,673.78	285,239,325.34	36,938,348.44		
	1874	299,911,000.84	301,238,800.21		1,297,793.37	
	1875	234,020,771.41	274,623,392.84	9,397,378.57		
	1876	290,066,584.70	265,101,084.59	21,965,500.11		
	1877	281,000,042.00	271,334,474.86	39,666,167.14		
	1878	257,446,776.40	236,984,326.60	20,462,449.60		
	1879	272,322,136.83	266,947,883.53	5,374,253.30		
Hayes.	1880	333,526,500.98	264,847,037.36	68,678,863.62		
	1881	360,782,292.57	259,651,638.81	101,130,653.76		
	1882	403,525,250.23	257,981,430.57	145,543,819.71		
	1883	398,257,581.95	265,408,137.54	132,879,441.41		
	1884	348,519,869.02	244,126,244.36	101,393,625.56		
	1885	323,640,706.38	260,226,031.11	63,413,775.27		
	1886	336,439,727.06	242,483,138.50	93,956,588.56		
	1887	371,403,277.66	267,932,179.97	103,471,097.69		
	1888	379,266,074.76	270,053,958.07	119,612,116.69		
	1889	387,070,058.84	281,996,615.00	105,053,443.24		
Garfield.	1890	403,080,982.63	297,736,486.00	105,344,496.00		
	1891	362,612,447.31	355,372,684.74	37,239,762.57		
	1892	351,937,784.24	345,023,330.58	9,914,453.66		
	1893	335,819,628.78	383,477,954.49	2,341,674.29		
	1894	297,722,019.25	367,625,279.83		69,803,260.58	
Cleveland.	1895	313,300,075.11	356,195,298.29		42,895,223.18	
	1896	326,976,200.38	352,179,416.08		25,203,245.70	
	1897	447,721,705.16	365,774,159.57		18,052,454.41	
McKinley-Roosevelt.	1898	405,321,335.60	443,368,582.80		38,047,247.20	
	1899	515,060,620.18	605,072,179.85		89,111,559.67	
	1900	537,249,851.89	487,713,791.71	79,536,060.18		
	1901	587,085,337.83	509,967,353.15	77,117,984.68		
	1902	762,478,233.21	471,190,657.61	91,287,375.57		
	1903	530,336,674.10	506,099,037.04	54,237,637.06		
	1904	540,631,749.00	582,402,321.81		41,770,572.00	
	1905	544,274,685.00	567,278,913.45		23,004,228.00	
	1906	594,451,122.00	568,781,799.06	25,669,323.00		
	1907	663,140,314.00	573,903,747.75	81,236,566.00		
	1908	590,895,763.00	659,552,125.00		59,656,362.00	

Our Government should be as exacting from foreigners as from Americans. Make them pay duty while we pay taxes.—Hon. P. C. Cheney.

I believe in the reciprocity of Blaine and McKinley, reciprocity in non-competitive goods, but not in reciprocity in competitive goods, which is simply free trade.—Hon. Andrew J. Volstead, in Congress, Feb. 8, 1904.

Protection furnishes an opportunity for every person to find the employment best adapted to his or her genius and capacity that will secure the largest income or the greatest happiness.—Hon. J. S. Morrill, in the American Economist.

Everyone knows that the average American consumer pays more than the average British consumer. Yet the British consumer, in spite of that advantage, is by no means so well off as the American consumer.—The London Daily Telegraph.

We have prospered marvelously at home. As a nation we stand in the very forefront in the giant international competition of the day. We cannot afford by any freak or folly to forfeit the position to which we have thus triumphantly attained.—President Roosevelt at Minneapolis, April 4, 1903.

In the ten years which has elapsed since the enactment of the Dingley Tariff, the conditions have so changed as to make a number of the schedules under that tariff too high and some too low. This renders it necessary to re-examine the schedules in order that the tariff shall be placed on a purely protective basis. By that I mean it should properly protect against foreign competition, and afford a reasonable profit to all manufacturers, farmers, and business men, but should not be so high as to furnish a temptation to the formation of monopolies to appropriate the undue profit of excessive rates.—Hon. Wm. H. Taft, at Kansas City, Mo.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT ELECTION.—New York World.

# THE IRON AND STEEL INDUSTRY.

## Conditions in United States Compared with Other Countries.

The world produced about 58,850,000 tons of pig iron in 1906, of which over forty-three per cent. was made in the United States. The same great development is shown in the production of steel, of which the United States produced over 23,398,000 tons in 1906; Germany over 11,307,000 tons, and Great Britain 6,575,000 tons. The United States produced 5,516,000 tons more than Germany and Great Britain combined. In 1889 the United States produced 7,603,642 tons of pig iron, which at that time was the largest production ever made in this country in one year. Great Britain produced in that year 8,322,824 tons, and she had exceeded the production of the United States in each preceding year. But under the McKinley tariff the production of pig iron increased to 9,202,703 tons in 1890, in which year the product of Great Britain fell off to 7,904,214 tons. Since that time the United States has almost trebled its production, while Great Britain has made little progress. Germany, which went under a protective tariff in 1879, produced only 4,524,558 metric tons (2,204 pounds) of pig iron in 1889; but in 1906 Germany had increased the production so that her pig iron product was over 2,183,000 tons greater than that of Great Britain, and in steel she exceeded Great Britain by over 4,732,000 tons. In 1906 Germany produced of Bessemer and open-hearth steel 11,307,807 tons, while Great Britain produced only 6,462,274 tons. The United States produced 23,256,243 tons.

## The World's Greatest Pig Iron Producers.

The following table gives the production of pig iron from 1880 to 1907 by the three great pig iron making countries. For the United States and Great Britain tons of 2,240 pounds are used, and for Germany and Luxemburg metric tons of 2,204 pounds.

Years.	United States (gross tons).	Great Britain (gross tons).	Germany and Luxemburg (metric tons).
1880.....	3,835,191	7,749,233	2,729,038
1881.....	4,144,254	8,144,449	2,914,069
1882.....	4,623,323	8,586,080	3,350,806
1883.....	4,595,510	8,529,300	3,469,719
1884.....	4,007,868	7,811,727	3,600,612
1885.....	4,044,526	7,415,469	3,687,434
1886.....	5,683,329	7,009,751	3,528,657
1887.....	6,417,148	7,553,518	4,023,953
1888.....	6,489,738	7,998,909	4,337,121
1889.....	7,603,642	8,322,824	4,524,558
1890.....	9,202,703	7,904,214	4,658,450
1891.....	8,279,879	7,406,061	4,641,217
1892.....	9,157,000	6,709,255	4,937,461
1893.....	7,121,502	6,976,990	4,986,003
1894.....	6,657,388	7,427,342	5,380,039
1895.....	9,446,308	7,703,159	5,464,501
1896.....	8,023,127	8,659,681	6,372,575
1897.....	9,652,680	8,796,465	6,881,466
1898.....	11,773,931	8,609,719	7,312,766
1899.....	13,620,703	9,421,435	8,143,133
1900.....	13,789,212	8,959,691	8,520,540
1901.....	15,878,354	7,928,667	7,880,087
1902.....	17,821,397	8,679,735	8,529,810
1903.....	18,001,252	8,935,093	10,017,901
1904.....	16,497,033	8,693,650	10,058,273
1905.....	22,092,360	9,608,096	10,875,061
1906.....	25,307,191	10,109,453	12,292,819
1907.....	25,781,361	9,923,856	12,875,159

\* British Iron Trade Association.

From 1880 to 1907 the production of pig iron in the United States under *protection* increased from 3,835,191 gross tons to 25,781,361 gross tons, a gain of 21,946,170 gross tons, and in

Germany and Luxemburg, also under *protection*, it increased in the same period from 2,729,038 metric tons to 12,875,159 metric tons, a gain of 10,146,121 metric tons. Under *free trade* in Great Britain, however, the production increased in the same period 2,174,623 gross tons only, the gain being from 7,749,233 gross tons in 1880 to 9,923,856 gross tons in 1907.

#### Effect of Protective Tariff upon Steel Rail Industry.

The development of the steel rail industry in the United States has been of enormous benefit to the country and has demonstrated beyond question the great value of the protective tariff. When it was proposed in 1870 to place a duty of \$28 a ton on steel rails the Hon. S. S. Marshall, a prominent member of the House of Representatives, earnestly protested against the proposed duty because, as he alleged, it would so increase the cost of foreign steel rails that our railroad companies could not afford to import them. The average price of Bessemer steel rails in this country at that time was \$106.75 a ton in currency. The duty of \$28.00 a ton was imposed in that year, and the price of steel rails fell in five years to an average of \$68.75 a ton, and they never rose above those figures, but steadily fell in most of the succeeding years. The reduction in price, owing to the development of this industry, has led to the substitution of steel for iron rails, which are no longer manufactured to any extent. The durability of steel rails is many times greater than that of iron rails, and this has enabled the railroads to increase the size and power of their engines and cars, so that the cost of transportation has been enormously reduced. The United States long ago became the largest producer of steel rails in the world, Great Britain long having fallen behind. Formerly a large percentage of the rails in use were iron. Now they are practically all steel. The tariff on steel rails in 1870 was 45 per cent. ad valorem. That has been gradually reduced until now it is \$7.84 a ton. In 1906 the production of all kinds of steel rails in the United States amounted to 3,977,872 tons.

#### The United States Steel Corporation Not a Monopoly.

To refute a common free trade charge we republish from the Annual Statistical Report of the American Iron and Steel Association the following table, which gives the percentages of production of all leading iron and steel products by the United States Steel Corporation and by independent companies in the year 1906, the latest year for which statistics are available. It also gives for the same year the percentages of shipments of iron ore by the Corporation and by the independent companies from the Lake Superior region and the percentages of the total production of iron ore and coke in the whole country by the Corporation and by the independent companies. The statistics of the total shipments of iron ore from the Lake Superior region and of the production of iron and steel we have obtained from the Annual Report of the American Iron and Steel Association, and the statistics of the country's total production of iron ore and coke we have obtained from the publications of the Division of Mining and Mineral Resources of the United States Geological Survey, the Corporation reporting to us its share of these shipments and production.

If by asserting complete Federal control over the interstate railways of the country we can suppress secret rebates and discriminations of other kinds, we shall have gone a long way in the suppression of the unlawful trusts.—Hon. Wm. H. Taft, at Columbus, Ohio.

Think of it, men of Rochester; you producers and manufacturers and merchants and traders and bankers and transporters, think of it! The market of our own country, the home market, in which you can transport your goods from the door of the factory to the door of the consumer, without breaking bulk a single time, is equal to the entire international commerce of the world.—O. F. Austin, at Rochester.



Products of the United States Steel Corporation and of Independent Companies. Comparative Statement by Percentages.	1904.	
	Corporation.	Independents
Shipments of Lake Superior iron ore.....	54.2	45.8
Total production of iron ore.....	43.2	56.8
Production of coke.....	30.5	69.5
All kinds of pig iron.....	44.2	55.8
Spiegeleisen and ferro-manganese.....	68.4	31.6
Total pig iron, including spiegel, etc.....	44.5	55.5
Bessemer steel ingots and castings.....	65.7	34.3
Open-hearth steel ingots and castings.....	49.6	50.4
Total of above ingots and castings.....	58.1	41.9
Bessemer steel rails.....	52.6	47.4
Structural shapes.....	54.6	45.4
Plates and sheets, excluding nail plate.....	56.3	43.7
Wire rods.....	71.7	28.3
Bars, open-hearth and iron rails, etc.....	33.8	66.2
Total of all finished rolled products.....	48.1	51.9
Wire nails.....	65.5	34.5
Tin plates and terne plates.....	73.4	26.6

This table completely disproves the statement so often made that the United States Steel Corporation is a monopoly which controls the iron and steel industries of the country, and that it stifles all competition in these lines of industrial development. Indeed there is one branch of the steel industry in which it is not engaged at all—the manufacture of crucible steel.

In the years that have gone by we have made the deed square with the word.—President Roosevelt's speech accepting 1904 nomination.

We have kept of the same mind for a sufficient length of time to give our policy coherence and sanity.—From President Roosevelt's speech of acceptance.

It appears that in all commercial countries export prices are at times from various causes lower than domestic prices. Hon. E. L. Hamilton, in Congress, April 14, 1904.

The highest claim of William McKinley for the gratitude of his countrymen is that, in spite of the abuse and contumely that was heaped upon his head for this policy, he placed our country in the forefront of nations as a civilizer and uplifter of unfortunate peoples.—Hon. Wm. H. Taft, at Cleveland, Ohio.

The United States is a continental nation and should adopt a continental policy. Free trade is adapted only to insular nations, and no continental nation has adopted a free-trade policy.—Ex-President Hill, of the University of Rochester, now Ambassador to Germany.

I believe our strong party with its great principles is only in its infancy. Our glory as a nation has but just begun. There are mighty problems yet to be solved, grave questions to be answered, complex issues to be wrought out, but I believe we can trust the Grand Old Party and its leaders to care for the future of our Nation and of our people as he has cared for them so well in the past.—Hon. James S. Sherman.

The Republican principle of the protective tariff is, as I understand it, that through the customs revenue law a tariff should be collected on all imported products that compete with American products, which will at least equal a difference in the cost of production in this country and abroad, and that proper allowance should be made in this difference for the reasonable profits to the American manufacturer.—Hon. Wm. H. Taft, at Columbus, Ohio.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

A tariff which protects American labor and industry and provides ample revenues has been written in public law.

—WILLIAM MCKINLEY..

## THE TIN-PLATE INDUSTRY.

**Established under McKinley Protection, Checked by Democratic Free Trade, it has Effected a Saving of \$35,000,000 to the Country and Now Gives Employment to 17,000 people, Who Earn \$10,000,000 a Year in Wages.**

By B. E. V. LUTY, Pittsburg.

The American tin-plate industry is the best illustration of the benefit of a protective tariff. It is for this reason that it is singled out by the Democrats for especially vicious attack.

The McKinley protective duty of 2.2 cents a pound went into effect on July 1, 1891. For years prior to that time there was a revenue tariff on tin plate of one cent a pound. Under it no tin plate could be made in the United States, our supply being all imported from Wales, which had a monopoly. The Welsh manufacturers had an understanding among themselves which amounted to a trust, and charged exorbitant prices. The duty, being a revenue one, was paid by the American consumer. The reduced duty of 1.2 cents in the Wilson-Gorman law went into effect on October 1, 1894, and caused a wage dispute which kept all the American tin plate works closed from that date until the latter part of January, 1895, when they were put in operation at greatly reduced wages. The American tin plate works were then enabled to operate under the existence of the Wilson-Gorman tariff law because:

### Growth of the Industry.

1. The industry had acquired great momentum under the McKinley law.

2. Economies and new processes were introduced during that period, after great expenditures of time and money.

3. There were heavy wage reductions.

4. The Wilson-Gorman duty of 1.2 cents a pound was 0.2 cent higher than the old revenue duty.

5. The general depression in the iron and steel and other industries, caused by the Wilson-Gorman law, brought the raw materials of tin plate manufacture in the United States down to lower points than had ever been seen before.

The Dingley law, effective July 24, 1897, increased the tin plate duty to 1.5 cents per pound, and two wage advances were made, in 1897 and 1899, giving the tonnage men an average increase of 17 per cent. over the wages paid under the Wilson-Gorman Tariff.

The following table gives the imports of tin plate into the United States since 1889 in long tons:

Year.	Long tons.
1889.....	331,311
1890.....	329,435
1891.....	327,882
1892.....	268,472
1893.....	253,155
1894.....	215,068
1895.....	219,545
1896.....	119,171
1897.....	83,851
1898.....	67,222
1899.....	58,915
1900.....	60,386
1901.....	77,395
1902.....	60,115
1903.....	47,360
1904.....	70,652
1905.....	65,740
1906.....	56,983
1907.....	57,773



The tin plate imports after 1897, the year in which the Dingley law was enacted, has been practically altogether for "drawback" purposes, the tin plate being made into containers for exported oil, fruit, fish, meat, etc., and being used in the manufacture of carpet sweepers and many other articles for export. On the exportation of such articles the Government refunds 99 per cent. of the duty originally paid on the amount of tin plate actually used in the manufacture of such exported articles.

The following table gives the production of tin plate in the United States in each calendar year since 1891:

Year.	Long tons.
1891.....	552
1892.....	18,803
1893.....	55,182
1894.....	74,260
1895.....	113,666
1896.....	160,362
1897.....	256,598
1898.....	326,915
1899.....	397,767
1900.....	302,665
1901.....	399,291
1902.....	366,000
1903.....	480,000
1904.....	458,000
1905.....	493,500
1906..	577,562
1907.....	*495,000

\*Estimated.

#### High and Low Prices.

The following table shows the highest and lowest prices in Wales of full weight coke tin plate since 1889. The great decline caused by the American industry will be noted. The much higher prices in 1899-1900 and in 1906-1907 were caused by the great advances in raw materials, especially steel and pig tin, which have occurred all over the world:

Year.	Lowest.		Highest.	
1889.....	12s	9d	18s	0d
1890.....	13	3	17	3
1891.....	12	6	12	6
1892.....	11	9	12	8
1893.....	10	10½	12	6
1894.....	10	3	11	0
1895.....	9	9	10	9
1896.....	8	10½	10	6
1897.....	9	9	10	3
1898.....	9	9	10	6
1899.....	11	0	15	6
1900.....	13	3	16	9
1901.....	12	3	15	3
1902.....	11	9	14	0
1903.....	11	0	12	6
1904.....	11	6	12	6
1905.....	11	4½	13	0
1906.....	12	3	15	0
1907.....	12	3	15	1½

The following table gives the average price of full weight (108-pound) coke tin plate in New York, imported plate for 1894 and preceding years and domestic plate for subsequent years:

1890.....	\$5.15
1891.....	5.30
1892.....	5.34
1894.....	4.57
1895.....	3.66
1896.....	3.63
1897.....	3.26

1898.....	\$2.99
1899.....	4.50
1900.....	4.82
1902.....	4.20
1903.....	4.00
1904.....	3.70
1905.....	3.80
1906.....	3.90
1907.....	4.20
1908 (first half).....	4.00

The following table shows the price changes in the past nine years, with the date on which each new price went into effect. These prices are f. o. b. Pittsburg, plus freight to destination, and are for 100-pound plates, full weight (108-pound) being 15 cents additional. When imported plate controlled the market, New York was the cheapest point, deliveries at inland points being higher. A comparison, at New York, of present prices with prices ruling before the establishment of the American industry, is not fair, because at the earlier time the prices delivered to the principal inland consuming points were higher than New York prices, whereas now they are lower. The freight Pittsburg to New York, is 18 cents a hundred, while from Pittsburg to a point even as far west as Chicago the rate is only 18 cents.

July 14, 1899 .....	\$4.37½
August 6, 1899 .....	4.65
September 24, 1900 .....	4.00
November 3, 1902 .....	3.60
March 3, 1903 .....	3.80
November 16, 1903 .....	3.60
January 25, 1904 .....	3.45
*July 25, 1904 .....	3.30
November 15, 1904 .....	3.45
December 22, 1904 .....	3.55
October 3, 1905 .....	3.35
October 20, 1905 .....	3.45
November 20, 1905 .....	3.40
January 8, 1906 .....	3.50
April 10, 1906 .....	3.60
May 19, 1906 .....	3.75
October 25, 1906 .....	3.90
January 6, 1908 .....	3.70

\*Discount changed to 2 per cent., previously 1 per cent., for cash in 10 days.

#### A Saving of \$35,000,000.

By making a careful estimate of what tin plate would have cost the consumer from the beginning of 1892 to the middle of 1900, had there been no American industry and no protective tariff, and closely calculating what it actually cost in these years, with the protective tariff and the American industry, it has been found that the country saved to that date fully \$35,000,000 through the McKinley tin plate schedule. Most of this saving was due to the American product selling at so much below the imported, but part was due to the lower prices, at which the foreign was sold, on account of the competition, before the country made all the tin plate it needed.

The average weekly earnings of the skilled labor in the American tin mills are from two and a half to three times as much as in Wales, while the earnings of the common labor are fully twice as much. The skilled men are on a tonnage basis, the rates per ton in the United States being more than double what they are in Wales. In addition to this, the American manufacturers invest a great deal more money, probably three times as much, in their plants, making the mills heavier and employing more convenient arrangement, whereby the men are enabled to make a much larger tonnage output per shift. When the American tin plate industry was first established the average output per hot mill per turn was about 50 boxes

against 36 in Wales. Improved practice and still heavier machinery was adopted in the American plants, whereby the average output has been raised to fully 75 boxes, while following after the Americans the Welsh manufacturers have made some improvements, and brought their average output up to 50 boxes, which leaves it that the American mills lead by a slightly larger percentage than they did at the start.

#### Tin Plate is Cheap.

Tin plate is cheap at present, being much lower than at any time prior to the passage of the McKinley law. In 1890, the year before the McKinley duty became effective, and when pig tin, which is in no respect under control of either the American or the Welsh mills, sold at less than three-fourths the present price, tin plate delivered Pittsburg averaged 38 per cent. higher than it does at present. The following table gives the cost, delivered Pittsburg, of the quantity of tin plate required to make the articles named:

	Cents.
Ordinary 2-lb. or No. 2 can .....	0.94
Ordinary 3-lb. or No. 3 can .....	1.34
Half-pint tin cup .....	0.79
Quart tin cup .....	1.34
3-qt. dinner pail .....	4.34
3-qt. dinner pail, plus 1-pt. cup .....	5.26

The tin plate required for the famous dinner pail, therefore costs only what the workman pays for an ordinary street car fare.

#### Workmen Recognize Tariff's Responsibility for High Wages.

In October, 1902, the Amalgamated Association of Iron, Steel, and Tin Workers gave the clearest recognition that has ever been given of the fact that the tariff is responsible for the wages they receive. The condition was that while the American tin mills had captured practically all the demand for the tin plate for domestic consumption, the Welsh manufacturers were still shipping in from a million and a quarter to a million and a half boxes (50,000 to 65,000 tons) of tin plate, which was made into cans for exports of petroleum, fruit, fish, etc., and for some minor purposes. Through the operation of the general drawback law the Government, on the export of these commodities, paid to the exporters 90 per cent. of the duty which had originally been paid on the tin plate so used. Thus the tin plate used in this "rebate trade" was practically duty free. The Amalgamated Association therefore made, in October, 1902, an arrangement with the American Tin Plate Company whereby they would work up plates intended for the rebate trade at wages 25 per cent less than the regular scale rate. It was recognized that this percentage did not represent the full concession needed to capture this remaining trade from the Welsh makers, but the company was willing to make up the balance itself.

The plan was put into practical operation by 3 per cent. of the men's total wages being set aside in a special fund, from which withdrawals are made as cans, etc., are exported, equal to 25 per cent. of the wages originally involved. This apparently complicated system was adopted partly because it would have been inconvenient to identify each lot of tin plate as it went through the mill as being intended for export purposes, and the safer plan was adopted of the wage rebate being payable just as the actual exports were made.

By this action the men recognized that the tariff was directly responsible for the wages they were receiving, and showed that they were willing, in competing with Welsh manufacturers operating under no tariff, to make a concession in wages.

This arrangement has now been in force nearly six years, and the workmen are very well satisfied with it.

The following table gives the production of tin plates andterne plates in the United States from the beginning of the industry in 1891 to the end of 1906. From July 1, 1891, to June 30, 1897, the statistics we present were collected by Colonel

Ira Ayer for the Treasury Department. On the latter date the Department abandoned the collection of these statistics. From July 1, 1897, to December 31, 1899, from January 1, 1901, to December 31, 1903, and from January 1, 1905, to December 31, 1906, the statistics have been compiled from most reliable sources. For the census years the production is given by the Census Bureau.

*Production of tin plate and terne plates, 1891-1906.*

[From annual report of the American Iron and Steel Association.]

Years—Pounds.	Tin plates.	Terne plates	Total pounds.
1891 (last 6 months).....	368,400	1,868,313	2,236,713
1892 (calendar year).....	13,921,236	28,197,896	42,119,132
1893.....	64,536,209	59,070,498	123,606,707
1894.....	102,223,407	64,120,002	166,343,409
1895.....	165,927,907	88,683,488	254,611,395
1896.....	270,151,785	89,058,013	359,209,798
1897 (first 6 months).....	208,028,258	40,545,843	252,573,901
1897 (last 6 months).....			322,205,619
1898 (calendar year).....			732,289,600
1899.....			808,360,000
1900 (census year ending May 31)...	707,718,239	141,285,783	849,004,022
1901 (calendar year).....			894,411,810
1902.....			805,400,000
1903.....			1,075,200,000
1904 (census year ending Dec. 31)...	867,526,985	158,857,966	1,026,384,951
1905 (calendar year).....			1,105,440,000
1906.....	1,100,373,000	193,367,000	1,293,740,000

The millions we formerly sent to aliens in alien lands to pay them for making tin plate for us we now pay to our own countrymen in the United States; we have the tin plate and we have the money expended for tin plate besides.—Hon. Wm. S. Greene, in Congress, April 28, 1904.

Remembering those Republican promises and their fulfillment in the years since, calling to mind the unfulfilled Democratic promises and the bitter years of 1893-1896, what will you gain by voting the Democratic ticket.—Representative Chas. Dick, of Ohio, in Congress, Jan. 5, 1904.

The difficulty with the Democratic party and the reason why the American people thus far have manifested their distrust of it is because it has no policy which the country can depend upon. Its whole stock in trade is that of irresponsible criticism and obstruction, but when charged with the responsibility for doing anything it utterly fails.—Hon. Wm. H. Taft, at Greensboro, North Carolina.

By the policy of fostering American industries the development of our manufacturing interests have been secured; the inventive genius of our people has found a field; American labor has become the best paid, and consequently our laborers are the best housed, clothed, and fed; and the wonderful development and progress in this country in all that makes a people great, have elicited the admiration of the civilized world.—Senator Cullom, in the American Economist.

This is not and never shall be a government of a plutocracy; it is not and never shall be a government by a mob. It is, as it has been and as it will be, a government in which every honest man, every decent man, be he employer or employed, wage-worker, mechanic, banker, lawyer, farmer, be he who he may, if he acts squarely and fairly, if he does his duty by his neighbor and the State, receives the full protection of the law and is given amplest chance to exercise the ability that there is within him, alone or in combination with his fellows, as he desires.—President Roosevelt at Butte, Mont., May 27, 1903.

In the ten years which has elapsed since the enactment of the Dingley Tariff, the conditions have so changed as to make a number of the schedules under that tariff too high and some too low. This renders it necessary to re-examine the schedules in order that the tariff shall be placed on a purely protective basis. By that I mean it should properly protect against foreign competition, and afford a reasonable profit to all manufacturers, farmers and business men, but should not be so high as to furnish a temptation to the formation of monopolies to appropriate the undue profit of excessive rates.—Hon. Wm. H. Taft, at Kansas City, Mo.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.



# THE TEXTILE INDUSTRIES OF THE UNITED STATES.

**How Labor and Agriculture have been Mutually Aided and Prices to the Consumer Reduced Under the Protective System.**

[By Edward Stanwood, author of "A History of the Presidency," "American Tariff Controversies of the Nineteenth Century," etc.]

If one were asked to designate the American industries which may be regarded as the most conspicuous trophies of the protective policy the answer would undoubtedly be: Textiles, iron, and glass. The most dramatic conquest the policy can boast is in one branch of the iron and steel industry, namely, that of tin plates. Nonexistent in 1890, it gave employment in 1900 to nearly 15,000 workmen, and provided practically the whole supply of tin plates for the immense canning industry of the country at prices far below those which prevailed when the market was controlled by foreigners.

Nevertheless, the most important achievement of protection is the establishment and development of the mills in which is spun and woven the material of the clothing of the people—cotton, wool, and silk.

The Father of his Country in his first annual address to Congress used the following language:

"A free people ought not only to be armed but disciplined; to which end a uniform and well-digested plan is requisite; and their safety and interest require that they should promote such manufactures as tend to render them independent of others for essential, particularly military, supplies."

Although clothing was one of the articles indispensable in time of war, the manufacture of which it was obviously the duty of Congress to promote, it was not until after the war of 1812 that a serious thought was given by Congress to the protection of the manufacture of cloth of any material. During the period of nonintercourse that preceded the last war with England it was found impossible to buy in the country \$6,000 worth of blankets to supply the Indians. During the war the only way in which clothing could be procured for the soldiers of our Army was by importation secretly from the British provinces in violation of law—a violation at which the Government was compelled by the necessity of the case to connive.

After the war the country was flooded with foreign textiles, and the cotton manufacture which had been established under the protection of nonintercourse was brought almost to the verge of ruin. Then began the attempts to foster the cotton and woollen industries by means of a protective tariff, which, often interrupted, have continued to the present time.

## **The Cotton Industry.**

Cotton manufacture has enjoyed fairly adequate protection for three-quarters of a century. Even under the Walker tariff of 1846 the rate of duty was sufficient to give the home manufacturer fairly complete control of the market for the coarse and medium goods, which constitute by far the largest amount of goods consumed by the average family. Beginning with the Morrill tariff of 1861, adequate protection has at all times been given to almost all classes of cotton manufactures, and the results have been a great growth of the industry, a large employment of labor, and an increasing market for the raw product of southern plantations. Keen domestic competition and improved machinery have reduced the prices of goods enormously. Thus every interest connected with this industry, directly or indirectly, has been benefited—the manufacturer and his employees,

the southern planter, and the whole population of the country, because all are consumers of the products of cotton mills. In recent years the United States has begun the conquest of foreign markets. An export trade established before the civil war reached in 1860 almost \$11,000,000. It did not touch these figures again until 1878, nor did it greatly exceed them until 1896, when the value of cotton goods exported was almost \$17,000,000. Since then the increase of the trade has been rapid. In 1906 the value of the cotton goods exported was almost \$53,000,000. Since then there has been a large decrease, due solely to the cessation of a demand from the Chinese Empire, but it is believed that the tendency to decrease is but temporary.

The most remarkable feature of the cotton industry is its stupendous growth in the South. The determined opposition to the protective policy led by Calhoun involved the idea that this must be an agricultural country, and that the cotton raised should be exported. Yet to-day the State of John C. Calhoun contains more cotton spindles than any other State except Massachusetts. In 1880 there were but 610,000 spindles in all the Southern States. In 1908 there were more than ten million spindles in that part of the country, and the industry was carried on in every one of the old "slave States" except Florida.

The accompanying table shows the progress made by this industry during the last thirty-five years under a policy of uninterrupted protection, for the Wilson tariff of 1894, harmful to other manufacturers, did not materially reduce the protective duties on cotton fabrics.

	1870.	1880.	1890.	1900.	1905.
Number of establishments	956	756	905	973	1,077
Capital	\$140,706,291	\$208,280,346	\$354,020,843	\$460,842,772	\$605,100,164
Wage-earners, average number	135,369	174,659	218,876	297,929	310,458
Total wages	\$39,044,132	\$42,040,510	\$66,024,538	\$85,128,310	\$94,377,696
Cost of materials used	\$111,736,936	\$102,206,347	\$154,912,979	\$173,441,390	\$282,017,648
Value of products	\$177,489,739	\$192,090,110	\$267,981,724	\$332,806,156	\$442,451,218
Active spindles, number	7,132,415	10,653,435	14,188,103	19,008,352	\$23,155,613
Looms, number	157,310	225,759	324,866	450,682	540,910
Cotton consumed, bales		1,570,344	2,261,600	3,639,495	3,743,089
Cotton consumed, pounds	306,308,257	759,343,981	1,117,945,776	1,814,002,512	1,873,074,716

#### The Woolen Industry.

The voyage of the woolen industry has been through seas much more stormy than those over which the cotton manufacturers have passed. The difficulties which have beset it have arisen largely by reason of the complication of protection of wool with protection of wool manufactures. The growers of wool have rightly contended that they were as deserving of the fostering care of government as were the users of their product. The concession of their contention has resulted, naturally and inevitably, in the requirement of a duty on finished goods which seems excessive to those who are not aware of the peculiar circumstances of the case, and which has made the wool and woolen schedule of the tariff the vulnerable point always chosen by the opponents of protection as the best for an attack and the easiest to carry by assault. There have constantly been many interruptions and variations in the policy of protection, which have prevented the full and healthy development of the industry. At one time, in 1846, a blow was given to the manufacturers by a tariff law which levied no higher duty on finished goods than on raw wool. At another time, under the Wilson-Gorman act of 1894, the woolgrower was struck by a provision making wool duty free.

Yet in spite of opposition and of a vacillating policy the woolen industry has grown to large proportions, taking advantage of favoring laws to increase and gain strength, enduring adverse legislation as best it might, and holding itself



ready to make a forward step again when conditions should permit. Although the inherent difficulties and the artificial difficulties resulting from the lack of a continuous and consistent policy have prevented the full development of the industry, and, in consequence, that unimpeded home competition which would bring prices down strictly to the level of the foreign article, yet the difference in price is not great. Upon many varieties of goods the price of American fabrics is as low as that of European fabrics of the same quality plus a rate of duty not higher than the average of a "revenue tariff." Protection has not placed the manufacturers of wool in a position so favorable as that of the manufacturers of cotton, but under the present tariff they are making good progress, and if the policy be continued they will be able to intrench themselves strongly in the home market, to the great advantage of American woolgrowers in a steady demand for their product at reasonable prices, and of 200,000 wage-earners in continuous and remunerative employment, as well as of the whole American people in an abundant supply of honest goods at fair prices.

The extent to which the manufacturers of woollen and worsted goods have now possessed the home market may be seen from the fact that the value of the goods manufactured in American mills in 1905 was \$381,000,000, and the foreign goods of the same classes imported were valued at only \$16,500,000.

The main facts relating to the woollen and worsted industry and to the allied manufacture of hosiery and knit goods, covering the ascertainment at the last four censuses, are presented in the following table:

	1880.	1890.	1900.	1905.
Number of establishments.....	2,689	2,489	2,335	2,292
Capital .....	\$159,091,969	\$206,494,481	\$302,040,353	\$477,525,222
Wage-earners, average number .....	161,557	213,859	242,495	283,691
Total wages .....	\$47,389,037	\$70,917,894	\$82,292,444	\$102,333,548
Cost of materials used.....	\$164,371,551	\$203,095,572	\$232,230,966	\$319,154,878
Value of products.....	\$267,252,913	\$337,768,624	\$392,473,050	\$517,492,142

#### The Silk Industry.

It is not generally realized that under the operation of a protective tariff the United States has risen to the first rank among the silk manufacturing countries of the world, bringing all of its raw material from abroad and most of it from the opposite side of the globe.

The Census Bulletin (No. 74) on Textiles (Census of Manufactures, 1905) shows that the average consumption of raw silk in the three years 1902, 1903, and 1904 was 13,500,000 pounds, in the United States; and in France, which stood next on the list, only 9,500,000 pounds. In fact this country consumed almost exactly one-half as much as all European countries combined.

In 1870 exactly two-thirds, in value, of the American consumption of silk manufactures was of foreign importation. In that year the total value of silk goods imported and produced at home was \$36,418,995, of which only \$12,210,662 was domestic. In 1905 the value of such goods consumed in the United States had increased more than fourfold and amounted to \$165,110,728, of which four-fifths (\$132,288,072) was of home manufacture. The value of imported silk manufactures increased only \$10,000,000 in the intervening thirty-five years; the value of the domestic manufactures increased from \$12,200,000 to \$133,000,000.

The protective tariff created this industry in the United States at the same time that free trade killed the same industry in Great Britain. Fifty years ago the silk manufacture of England was great and prosperous. The British census of 1851 showed that there were 117,000 hands employed in the Kingdom in the silk mills. Even in 1879 it employed more than 40,000 hands. The system of free imports has rendered it almost extinct. The value of goods produced in 1906 was but \$15,000,-

000—less than one-sixth that of this country. The destruction of this industry by invited foreign competition is one of the chief points in Mr. Chamberlain's indictment of the free-trade policy.

The beginning of a protective system for the silk manufacture was made in the tariff of 1864, but the excessive internal taxation during and subsequent to the war, the disorganization of labor, and the diversion of capital to more pressing needs prevented the introduction of the manufacture on a large scale. Indeed, although the percentage of growth of the industry between 1870 and 1880 was large, it was not until the tariff act of 1883 adjusted the rates in a satisfactory manner, making raw silk free and allowing an adequate protection on manufactured goods, that the industry began to assume large proportions. It will be seen from the following table that it gave employment in 1905 to more than 80,000 employees who earned wages of nearly \$27,000,000. The table corresponds to those already given for the other industries.

	1870.	1880.	1890.	1900.	1905.
Number of establishments	86	382	472	483	624
Capital	\$6,231,130	\$19,125,300	\$51,007,537	\$81,082,201	\$109,556,621
Wage-earners, average number	6,619	31,337	49,382	65,418	79,601
Total wages	\$1,942,286	\$9,146,705	\$17,762,441	\$20,982,194	\$26,767,943
Cost of materials used	\$7,817,559	\$22,467,701	\$51,004,425	\$62,406,605	\$75,861,188
Value of products	\$12,210,662	\$11,033,045	\$87,296,454	\$107,256,258	\$133,288,072
Raw silk used, pounds	684,488	2,690,482	6,376,881	9,760,770	11,572,783

The protective system is establishing the flax, hemp, and jute industries. As compared with cotton, wool, and silk they are still of secondary importance, but are destined, if the policy be continued, to a large growth.

#### What It Means to Labor.

In the aggregate these several branches of the textile industry employed in 1905 no less than 739,239 hands, who earned in wages the sum of \$249,357,277, and the 4,563 establishments reported produced goods of the value of \$1,215,036,792. The number of hands employed exceeded by more than 175,000 the total population in 1900 of St. Louis, of Boston, or of Baltimore. But it is always to be borne in mind, first, that on the average each wage-earner provides bread and meat, clothing, and lodging for not less than two persons besides himself; and, secondly, that their wages reach an ever-widening circle of persons engaged in other occupations—grocers, dry goods merchants, carpenters, and the like in the first instance, railroads and their employees, farmers and planters, and an infinite number of others all the way between the first and the last.

#### What It Means to the Farmer.

It is a most serious mistake to suppose that the effect of prosperity or depression in the manufacturing, particularly in the textile, industry is limited to those employed in the mills and to their employers, or even to the communities and States in which the mills are located. The manufacturing communities in this country are wholly dependent upon the agricultural regions for their food. New England, for example, does not raise enough of any single article of food to supply its own people. Of the two staples, breadstuffs and meat, it does not raise the one-hundredth part of its need. It is therefore virtually important to the farmers of the West that the mill hands shall be steadily employed and that their wages shall be sufficient to enable them to purchase freely. Reduce the tariff, introduce foreign goods instead of domestic, diminish the demand for the products of our own mills, cut wages, close the mills or put them on short time, and you deal a blow directly at the great agricultural regions of the country. You restrict the consuming power of a community—including the wives and children of the operatives—almost equal in number to the population of Chicago.

and you gain nothing in the form of a foreign outlet for your grain and your meat.

The history of the textile manufacture in brief is this: A great industry has been built up by means of a protective tariff; two-thirds of a million of hands have employment in the factories; the country has become almost independent of a foreign supply of textile goods; the growth of the industry has been accompanied by a steady and in the aggregate a great decline in prices, so that to-day the clothing of the people is not only cheap, but nearly or quite as cheap, quality considered, as that of any other nation; and in no branch of the industry is there a monopoly "trust" or the suspicion of a monopoly. No great fortunes have been built up in the textile manufacture. The conquest of the home market will be followed, if the wise policy be continued, by an entrance into foreign markets, and by the leadership of the United States in all departments of this industry.

*The textile industries of the United States at decennial periods, 1850 to 1900.*

[Compiled from Census Reports.]

	Year.	Number of establishments.	Capital.	Number of wage earners.	Wages.	Cost of materials.	Value of products.
Wool manufacture (a)	1850	1,769	\$82,516,336	47,763	-----	\$29,246,806	\$49,636,881
	1860	1,673	42,849,932	59,522	\$13,361,602	46,649,305	80,731,606
	1870	3,455	132,382,319	119,859	40,357,235	134,151,615	217,668,826
	1880	2,689	151,991,819	161,557	47,389,087	164,371,551	267,252,913
	1890	2,489	296,191,481	213,359	70,917,894	203,095,572	337,768,524
	1900	2,335	392,040,353	212,495	82,292,444	232,230,986	392,473,060
Cotton manufacture (a)	1905	2,292	477,525,222	283,631	102,333,548	319,151,878	517,492,142
	1850	1,074	74,500,931	92,286	-----	34,835,056	61,969,184
	1860	1,071	98,535,269	122,028	23,910,108	57,251,534	115,681,774
	1870	975	110,705,291	135,339	39,014,132	111,733,936	177,489,739
	1880	756	203,280,346	174,655	42,040,510	102,203,347	192,090,110
	1890	997	351,020,842	218,876	66,021,538	154,912,979	267,981,724
Silk manufacture --	1900	1,055	467,240,157	302,861	86,687,752	176,551,527	339,200,320
	1905	1,151	613,110,655	315,871	96,205,796	286,255,303	450,467,704
	1850	67	678,309	1,743	-----	1,093,890	1,809,476
	1860	139	2,926,980	5,435	1,050,224	3,901,777	6,607,771
	1870	86	6,231,130	6,619	1,912,286	7,817,557	12,210,662
	1880	382	19,125,300	31,337	9,146,705	22,467,701	41,083,045
Dyeing and finishing textiles --	1890	472	51,007,547	49,382	17,762,441	51,034,425	87,298,454
	1900	483	81,082,201	65,416	20,982,194	62,406,665	107,256,258
	1905	624	109,553,621	79,601	26,767,943	75,861,188	133,283,072
	1850	101	4,818,350	5,105	-----	11,540,347	15,451,430
	1860	121	5,718,471	7,097	2,001,528	5,005,435	11,716,463
	1870	272	18,371,593	13,063	5,221,548	99,539,992	113,017,537
Flax, hemp and jute--	1880	191	26,223,981	16,698	6,474,361	13,664,295	32,297,420
	1890	248	38,450,800	19,601	8,911,720	12,385,220	28,900,460
	1900	298	60,643,104	29,776	12,726,316	17,958,137	44,963,331
	1905	360	88,708,576	35,563	15,460,205	19,621,253	50,849,545
	1860	162	27,731,649	15,519	4,872,389	26,148,344	37,313,021
	1900	191	41,991,762	20,903	6,331,741	32,197,885	47,601,607
Combined textiles ---	1905	133	51,423,531	24,508	8,580,785	44,870,516	62,939,329
	1850	3,025	112,513,947	146,877	-----	76,715,959	128,769,971
	1860	3,027	150,080,852	194,082	40,353,462	112,842,111	214,740,614
	1870	4,790	297,671,243	274,943	86,565,191	353,249,102	520,386,764
	1880	4,018	412,721,496	384,251	103,050,666	302,709,391	532,673,488
	1890	4,276	767,705,310	517,237	168,488,982	447,546,540	759,262,238
	1900	4,312	1,042,997,577	661,451	209,022,447	521,345,200	981,494,566
	1905	4,533	1,313,324,605	739,239	249,357,277	745,783,168	1,215,036,792

\* (a) Includes hosiery and knit goods. (b) Includes cotton small wares.

**Cotton Production and Manufacturing in the United States, also Imports and Exports of Cotton Manufacture.**

*The statement showing the quantity of cotton consumed indicates unusual activity among the cotton manufacturing interests of the United States during recent years, the number*

of bales taken for home consumption being in 1905, 1906, and 1907 much larger than in any corresponding period in the history of our manufacturing industries, while the raw cotton imported was also larger than in any corresponding period of any earlier year. The export of cotton manufactures in 1905 and 1906 were more than double those of any two-year period in the history of our export trade. The fall of 22 million dollars in value of cotton exports in 1907 was due solely to a reduced demand in China, resulting from over-importations into that country in 1904 and 1905. The growth in importation of cotton manufactures shown in the final columns suggest great possibilities in our own markets still awaiting our own cotton manufacturers, especially in high grade manufactures, which form the bulk of the large imports of recent years.

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Our appeal is not to a false philosophy or vain theories, but to the masses of the American people, the plain, practical people whom Lincoln loved and trusted and whom the Republican party has always faithfully striven to serve.—Maj. McKinley to Notification Committee, 1896.

At all hazards, and no matter what else is sought for or accomplished by changes of the tariff, the American workman must be protected in his standard of wages—that is, in his standard of living—and must be secured the fullest opportunity of employment.—President Roosevelt at Logansport, Ind., September, 1902.

Laying aside the fact that trusts are organized under English free trade, as well as German, Austrian, and American protection, it is susceptible of absolute demonstration that American free trade would operate in the interests of trusts and against the interest of American labor.—Hon. E. L. Hamilton, in Congress, April 14, 1904.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned.—Hon. Wm. H. Taft, at Columbus, Ohio.

The man who tills his own farm, whether on the prairie or in the woodland, the man who grows what we eat and the raw material which is worked up into what we wear, still exists more nearly under the conditions which obtained when the "embattled farmers" of '76 made this country a nation than is true of any others of our people.—President Roosevelt, at Sioux Falls, S. Dak., April 6, 1903.

As well might a father of a family, just started in a prosperous business with a small capital, distribute his little property equally among the poor of his neighborhood, depriving himself of the means of providing for and educating his children, as for this nation to share with the Old World every increment of power and superiority to be found in the new, assuming its burdens of mendicancy and debt, and receiving the peasant as the peer of the American citizen.—Ex-president Hill, of the University of Rochester, present Ambassador to Germany, in the American Economist.

We were passing into a regime of an irresponsible plutocracy. During the last four years there has been a great moral awakening to this danger among the people and a popular demand that the lawbreakers—no matter how wealthy or how high or powerful their position—shall be made to suffer. Under the leadership of Theodore Roosevelt the Republican party has not faltered in its determination to meet the requirements of this situation and to enact such legislation as may be necessary to bring to a close this period of illegitimate corporate immunity.—Hon. Wm. H. Taft, at Kansas City, Mo.

There is no worse enemy of the wage-worker than the man who condones mob violence in any shape, or who preaches class hatred; and surely the slightest acquaintance with our industrial history should teach even the most shortsighted that the times of most suffering for our people as a whole, the times when business is stagnant, and capital suffers from shrinkage and gets no return from its investments, are exactly the times of hardship and want and grim disaster among the poor.—President Roosevelt at Syracuse, N. Y., September 7, 1903.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.



## COMMERCE OF THE UNITED STATES BY GREAT GROUPS, 1820 TO 1908.

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The tables showing the commerce of the United States by great groups from 1820 to 1908, which occupy the pages immediately following, are interesting and valuable especially in their relation to the agricultural and manufacturing industries of the country. Both imports and exports are grouped in a manner to show foodstuffs, and to indicate whether they are imported or exported in the natural state or in a form in which labor has brought them into condition for use, and thus added to their value. The imports and exports of crude materials for use in manufacturing are also separately shown; also the imports and exports of manufactures, both those ready for consumption and those intended for further use in manufacturing. In each case the percentage which a given class forms of the total imports or exports is stated. A study of these tables gives a clear and interesting picture of the growth of our agricultural and manufacturing industries, and especially as to the importation of materials for use in manufacturing and the exportation of manufactures and the growing share which these classes form of the total imports and exports, respectively, of the country. It will be noted that, notwithstanding the Democratic assertion that a protective tariff would destroy our markets abroad, the total value of merchandise exported grew from 1 billion dollars in 1897, the year of the enactment of the Dingley protective tariff, to 1,854 millions in 1907. In manufactures, of which it was asserted that a protective tariff at home would especially injure our markets abroad, the growth has been strongly marked since 1897; exports of manufactures ready for consumption having grown from 213 million dollars in 1897 to 481 million in 1907, while manufactures for further use in manufacturing grew from 98 million dollars in 1897 to 259 millions in 1907, and 1908 will show even larger totals. It will be noted also that the share which finished manufactures form of the total exports grew from 20.63 per cent in 1897 to 25.93 per cent in 1907, and that of manufactures for further use in manufacturing, from 9.52 per cent in 1897 to 13.99 per cent in 1907. While it is not practicable at this time to give complete figures for the fiscal year 1908, an estimate based upon the available figures up to the latest possible date indicates a continuation in 1908 of the growth in the exports of manufactures. In the tables of importations the column showing the value of crude materials imported for use in manufacturing is especially interesting in its evidence of the activity of our manufacturers in recent years, showing as it does that the value of crude materials imported grew from 196 million dollars in 1897 to 477 millions in 1907, and that the share which this class of materials formed of the importations grew from 25.66 per cent in 1897 to 33.25 per cent in 1907.

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**In twenty years the workshop of the world has become the dumping ground of the world.—London Daily Telegraph, December 10, 1903.**

**You cannot afford to have the question raised every four years whether the nation will pay or repudiate its debts in whole or in part.—Hon. Wm. McKinley to delegation of farmers at Canton, September 22, 1896.**

**It is foolish to pride ourselves upon our progress and prosperity, upon our commanding position in the international industrial world, and at the same time have nothing but denunciation for the men to whose commanding position we in part owe this very progress and prosperity, this commanding position.—President Roosevelt at Cincinnati, Ohio, September 20, 1902.**





## Commerce of the United States by great groups, 1820 to 1908.—Imports, total.

Year ending June 30—	Foodstuffs in crude condition and food animals.			Foodstuffs partly or wholly manufactured.			Crude materials for use in manufacturing.			Manufactures for further use in manufacturing.			Manufactures ready for consumption.			Miscellaneous.			Total.
	Dollars.	Per cent of total.		Dolla: s.	Per cent of total		Dollars.	Per cent of total.		Dollars.	Per cent of total.		Dollars.	Per cent of total.		Dollars.	Per cent of total.		
1820a	6,081,611	11.15		10,820,814	19.85		1,983,706	3.64		4,079,064	7.48		30,988,900	56.86		556,703	1.02	51,530,834	
1831	7,388,274	11.77		9,653,971	15.39		4,211,825	6.72		5,152,486	8.22		35,731,837	56.97		529,533	.83	59,723,153	
1840	15,275,321	15.54		15,188,845	15.46		11,510,245	11.71		11,353,196	11.56		44,300,005	45.09		630,094	.61	98,525,708	
1851	18,011,654	10.88		21,465,776	12.37		11,711,266	6.75		23,163,132	15.08		95,312,493	54.93		845,174	.49	173,540,126	
1860	35,743,820	10.11		53,771,037	15.21		37,973,022	10.49		23,613,395	6.67		190,878,630	56.52		3,536,119	1.00	313,340,110	
1870	95,981,888	12.88		96,253,651	22.04		63,118,022	12.18		51,515,306	12.51		173,031,847	39.40		5,021,831	1.10	433,059,408	
1875	90,018,885	16.80		113,145,832	21.23		78,891,769	14.80		63,411,606	11.89		177,891,440	33.38		9,645,884	1.81	523,035,438	
1880	100,297,040	15.01		118,125,216	17.63		131,831,917	19.74		110,779,516	16.53		196,557,425	29.43		10,303,952	1.51	627,054,438	
1881	101,917,672	14.49		123,880,348	19.20		114,244,631	17.77		87,700,800	13.66		203,725,925	31.70		11,553,826	1.72	619,644,628	
1882	102,480,862	15.05		139,488,506	19.24		133,612,136	18.13		98,623,763	13.61		238,716,631	32.94		12,648,195	1.59	723,039,574	
1883	103,010,830	15.43		130,778,236	19.53		138,419,450	17.84		94,698,212	14.18		242,945,562	31.62		12,648,195	1.59	723,039,574	
1884	93,011,375	12.87		142,127,926	19.65		119,150,611	17.84		84,755,323	13.55		207,711,072	31.61		13,671,507	2.37	657,627,329	
1885	93,345,383	16.16		102,937,933	17.82		106,771,553	18.44		78,254,677	13.55		182,513,078	31.61		13,671,507	2.37	657,627,329	
1886	91,588,014	14.41		112,771,886	17.15		128,431,759	20.22		91,539,214	14.34		210,879,751	29.23		16,310,485	2.57	635,436,136	
1887	106,392,234	15.86		111,714,882	16.14		148,331,090	20.71		120,079,751	17.34		202,800,073	29.25		8,092,754	1.16	723,957,114	
1888	116,087,107	16.03		122,048,075	16.31		155,057,432	21.94		131,605,091	16.80		212,482,518	29.17		8,092,754	1.16	723,957,114	
1889	123,130,984	16.28		138,332,031	16.89		163,518,106	21.62		115,079,918	15.44		212,482,518	29.17		8,092,754	1.16	723,957,114	
1890	128,480,142	16.28		147,791,773	17.83		170,637,250	21.80		116,921,060	14.81		230,855,581	29.23		9,251,325	1.17	783,310,404	
1891	150,630,340	17.53		153,780,181	16.89		184,175,197	21.80		136,446,300	16.15		217,577,775	25.75		8,355,632	.99	823,310,404	
1892	175,558,881	21.22		158,790,181	17.48		188,317,515	22.70		112,721,303	13.63		204,513,857	24.72		6,458,073	.78	837,057,164	
1893	131,668,068	15.19		155,346,824	16.89		209,277,112	24.16		135,608,418	15.65		226,764,566	26.40		7,317,377	.85	866,400,922	
1894	131,307,989	15.31		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1895	141,377,238	16.70		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1896	130,002,310	16.67		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1897	128,379,755	16.70		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1898	108,984,608	16.88		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1899	98,933,256	14.19		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1900	97,916,263	13.52		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1901	110,385,208	13.43		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1902	120,290,302	13.31		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1903	119,202,674	11.62		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1904	122,233,805	13.08		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1905	146,130,903	13.08		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1906	131,315,448	10.95		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1907	149,717,693	10.41		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	
1908	146,433,483	10.41		157,806,181	17.48		180,966,011	19.83		82,801,732	12.65		198,798,021	22.72		6,506,915	.90	871,051,622	

*Chief manufacturing industries, showing sums paid in wages  
and number of employees.*

[From reports of the Bureau of the Census, Department of Commerce and Labor.]

Industry.	Cen- sus year.	Number of estab- lish- ments.	Capital.	Wage-earners.		Value of products, including custom work and repairing.
				Average num- ber.	Total wages.	
			Dollars.		Dollars.	Dollars.
Agricultural imple- ments.	1880	1,943	62,104,698	39,590	15,351,610	68,440,186
	1890	910	145,313,367	38,827	18,107,094	81,271,651
	1900	715	157,701,951	46,532	22,450,880	101,207,428
	1905	648	196,740,700	47,344	25,002,650	112,007,447
Boots and shoes.	1880	1,959	42,994,028	111,152	43,001,138	166,050,351
	1890	2,082	95,282,311	133,600	60,667,115	220,619,358
	1900	1,509	99,811,233	111,830	58,400,883	258,969,580
	1905	1,316	122,526,098	119,024	61,051,680	320,107,453
Bread and other bak- ery products.	1880	6,306	19,155,286	22,488	9,411,328	6,824,846
	1890	10,184	45,758,489	38,841	19,120,529	128,421,515
	1900	14,836	80,901,928	60,192	27,864,021	175,388,682
	1905	18,227	122,363,327	81,281	43,179,822	289,633,061
Carriages and wag- ons.	1880	3,811	37,973,493	45,391	18,888,615	61,951,617
	1890	4,572	93,155,257	56,524	23,912,401	102,680,311
	1900	6,204	109,875,885	58,125	27,578,046	113,231,533
	1905	4,953	126,320,604	69,722	30,878,229	125,332,376
Cars, shop construc- tion and repairs by steam railr'd co's.	1880	716	76,192,477	106,632	60,213,433	12,461,138
	1900	1,293	119,580,273	173,652	96,062,329	218,258,777
	1905	1,141	146,943,729	236,900	142,188,336	303,893,449
Cars, shop construc- tion and repairs by street railway co's.	1880	78	2,351,162	2,069	1,411,205	2,066,317
	1900	108	10,781,939	7,025	4,404,536	9,370,811
	1905	86	12,905,853	11,052	7,012,798	13,457,121
Cars, steam and street railr'd, not includ'g operations of railway co's.	1880	130	9,272,080	14,232	5,507,753	27,937,511
	1890	88	46,109,325	33,133	17,168,009	73,885,852
	1900	85	95,941,210	37,038	18,938,170	97,815,518
	1905	87	101,151,750	38,788	23,057,400	122,019,501
Cheese, butter and condensed milk.	1880	3,932	9,604,803	7,903	1,546,495	25,712,510
	1890	4,572	16,016,573	12,219	4,218,851	60,635,705
	1900	9,212	36,309,164	12,799	6,145,561	130,763,349
	1905	8,226	47,255,556	15,557	8,412,937	168,182,181
Chemicals	1880	595	28,983,458	9,724	4,222,663	38,604,458
	1890	563	55,032,452	15,038	7,308,411	50,352,518
	1900	483	89,061,450	19,020	9,333,236	62,637,088
	1905	448	119,890,193	21,525	13,361,972	92,088,376
Clothing, men's.	1880	6,106	79,861,696	163,813	45,940,353	201,518,410
	1890	4,467	128,253,547	144,426	51,075,837	251,019,900
	1900	5,729	120,547,851	120,927	45,496,728	276,717,347
	1905	4,504	153,117,500	137,190	57,225,546	355,746,571
Clothing, women's.	1880	562	8,207,273	25,192	6,661,005	32,001,711
	1890	1,224	21,251,528	39,149	15,428,272	68,161,015
	1900	2,701	48,131,544	81,739	32,586,101	153,331,549
	1905	3,351	73,947,823	115,705	51,180,193	217,661,549
Confectionery	1880	1,450	8,486,874	9,801	3,242,852	25,637,043
	1890	2,921	23,326,797	21,721	7,783,007	55,997,131
	1900	962	26,319,135	26,866	8,020,453	60,618,946
	1905	1,348	43,125,498	30,231	11,679,257	87,067,253
Cooperage	1880	3,848	12,178,726	25,973	8,992,603	33,714,740
	1890	2,652	17,806,551	22,555	10,055,219	34,617,054
	1900	1,491	21,777,636	22,117	8,786,428	38,429,745
	1905	1,517	29,532,614	21,149	9,485,455	40,421,344
Cordage and twine.	1880	165	7,140,475	5,435	1,555,670	12,442,171
	1890	150	23,351,883	12,385	3,976,232	33,312,559
	1900	105	29,275,470	13,114	4,113,112	37,849,651
	1905	102	37,110,521	14,614	5,338,178	48,017,139
Cotton goods.	1880	1,005	219,501,791	185,472	15,614,119	210,950,382
	1890	905	354,020,843	218,876	61,021,538	267,981,721
	1900	1,055	467,240,157	302,861	86,684,752	349,000,320
	1905	1,154	613,110,655	315,871	96,205,796	450,467,701
Electrical machinery, apparatus and sup- plies.	1880	76	1,509,758	1,271	683,164	2,955,046
	1890	189	18,997,337	8,892	4,517,050	19,114,744
	1900	581	83,659,924	42,013	20,579,194	92,131,335
	1905	784	171,096,026	69,496	31,841,521	110,800,369
Flour and grist mill products.	1880	24,338	177,261,878	58,107	17,422,316	575,185,712
	1890	18,470	208,473,570	47,404	18,138,402	513,971,174
	1900	9,476	189,281,330	31,226	16,285,163	591,346,309
	1905	10,051	265,117,434	31,110	19,822,196	713,033,345
Foundry and ma- chine shop prod- ucts.	1880	4,984	155,021,731	115,659	66,033,920	215,442,011
	1890	6,509	383,257,473	231,331	129,262,263	413,197,118
	1900	9,316	663,411,323	350,103	182,046,007	644,542,616
	1905	9,423	936,416,978	462,911	221,869,297	791,962,518
Furnishing goods, men's.	1880	161	3,721,694	11,174	2,644,155	11,546,816
	1890	546	12,229,011	20,778	6,078,026	29,870,947
	1900	457	20,775,961	30,322	9,740,063	44,311,442
	1905	517	28,043,584	27,145	8,769,408	49,031,542
Furniture	1880	5,227	44,916,123	59,301	23,695,080	77,845,745
	1890	1,919	80,780,939	72,891	35,098,929	111,741,049
	1900	1,814	101,181,391	87,292	37,632,523	125,315,046
	1905	2,182	152,712,732	110,133	49,883,235	170,166,825

Chief manufacturing industries, showing sums paid in wages  
and number of employees—Continued.

Industry.	Cen- sus year.	Num- ber of estab- lish- ments.	Capital.	Wage-earners.		Value of products, including custom work and repairing.
				Average num- ber.	Total wages.	
			Dollars.		Dollars.	Dollars.
Glass -----	1880	169	18,804,599	24,177	9,144,100	21,154,571
	1890	294	40,906,850	44,892	20,885,961	41,051,004
	1900	355	61,423,903	52,818	27,084,710	56,539,712
	1905	399	89,389,151	63,909	37,288,148	79,607,998
Hardware -----	1880	492	15,363,551	16,801	6,846,913	22,653,693
	1890	350	26,271,840	18,495	8,656,067	26,726,463
	1900	381	30,311,745	26,463	11,422,758	35,846,656
	1905	445	52,881,078	31,713	14,580,539	45,770,171
Jewelry -----	1880	739	11,431,164	12,697	6,441,688	22,201,621
	1890	783	22,246,508	13,880	8,038,327	34,761,458
	1900	851	27,871,924	20,468	10,613,887	46,128,659
	1905	1,023	39,678,956	22,080	12,532,816	53,235,681
Leather, tanned, cur- ried, and finished.	1880	5,628	73,383,911	40,282	16,503,828	200,264,944
	1890	1,787	98,068,698	42,392	21,249,989	172,136,032
	1900	1,306	173,977,421	52,109	22,591,091	204,038,127
	1905	1,049	242,584,254	57,239	27,049,152	252,620,086
Liquors, malt -----	1880	2,191	91,208,224	26,220	12,138,033	101,058,385
	1890	1,248	232,471,290	30,257	20,713,383	182,731,622
	1900	1,507	413,767,233	39,459	25,770,468	236,914,914
	1905	1,831	515,636,792	48,139	34,542,897	298,358,783
Lumber and timber products.	1880	25,758	181,465,392	148,290	31,803,098	233,608,582
	1890	22,617	557,881,054	311,964	87,934,284	437,957,882
	1900	23,053	400,857,337	413,335	148,007,845	555,197,271
	1905	19,127	517,224,128	404,626	183,021,519	580,022,600
Lumber, planing-mill products, including sash, doors, and blinds.	1880	2,491	38,070,593	37,187	14,431,654	73,424,681
	1890	3,670	120,271,440	79,923	42,231,856	183,681,552
	1900	4,198	118,948,556	73,510	32,621,704	167,786,122
	1905	5,009	177,145,734	97,674	50,713,607	247,441,956
Marble and stone work.	1880	2,846	16,498,221	21,471	10,238,885	31,415,150
	1890	1,321	24,041,961	21,950	15,314,598	41,924,264
	1900	1,675	39,559,146	30,641	16,328,174	42,230,457
	1905	1,642	66,526,724	40,905	25,032,725	63,059,812
Paper and wood pulp	1880	742	48,139,652	25,631	8,970,133	57,866,820
	1890	649	89,829,548	31,050	13,204,828	78,037,184
	1900	763	167,507,713	49,646	20,746,426	127,326,162
	1905	761	277,444,471	65,964	32,019,212	188,715,189
Petroleum, refining--	1880	94	77,416,296	11,403	5,872,467	80,001,198
	1900	67	95,327,892	12,199	6,717,087	123,929,334
	1905	98	136,280,541	16,770	9,989,367	175,005,320
Silk and silk goods.	1880	382	19,125,300	31,337	9,146,705	41,033,405
	1890	472	51,007,537	49,382	17,762,441	87,298,454
	1900	483	81,082,201	65,416	20,982,194	107,256,258
	1905	624	109,556,621	79,601	26,767,943	133,288,072
Slaughtering and meat packing, wholesale.	1880	872	49,419,213	27,297	10,508,530	303,562,413
	1890	611	98,190,766	37,502	20,304,029	433,252,815
	1900	557	173,866,377	64,681	31,033,850	697,056,065
	1905	559	219,818,627	69,593	37,000,399	801,757,137
Slaughtering, whole- sale, not including meat packing.	1880	507	18,636,738	6,473	4,000,947	128,350,353
	1900	325	14,933,804	3,705	2,358,408	86,723,126
	1905	370	17,806,063	4,541	3,236,573	112,157,487
Smelting and refin- ing, copper.	1900	47	53,063,395	11,324	8,529,021	165,131,670
	1905	40	76,824,640	12,752	10,827,043	240,780,216
Smelting and refin- ing, lead.	1900	39	72,148,933	8,319	5,088,684	175,466,304
	1905	35	63,822,810	7,573	5,374,691	185,326,839
Structural ironwork.	1880	220	1,400,197	1,934	844,614	8,410,086
	1890	724	21,968,172	17,158	10,235,701	37,745,294
	1900	697	43,442,377	24,903	13,588,779	66,927,305
	1905	775	76,598,507	34,276	19,760,210	90,944,697
Sugar and molasses, refining.	1880	49	27,432,500	5,857	2,875,032	155,484,915
	1890	393	24,013,008	7,043	2,385,654	123,118,259
	1900	657	181,033,304	14,129	6,917,829	239,711,011
	1905	314	165,468,320	13,549	7,575,650	277,285,440
Tinware, copper- smithing, and sheet iron working.	1880	7,693	23,167,302	27,116	11,243,276	50,183,511
	1890	7,002	38,434,900	31,377	15,610,265	66,653,746
	1900	1,816	35,724,739	28,315	13,193,307	63,612,787
	1905	2,368	124,500,183	39,475	20,608,179	97,974,833
Tobacco, chewing and smoking, and snuff.	1880	477	17,207,401	32,756	6,419,024	52,798,056
	1890	395	30,841,316	29,760	6,947,158	65,843,587
	1900	437	43,856,570	29,161	7,109,821	103,754,362
	1905	433	178,847,556	23,990	6,775,325	110,767,630
Tobacco, cigars, and cigarettes.	1880	7,145	21,608,549	53,297	18,464,562	63,979,575
	1890	10,956	59,517,827	87,000	36,475,060	129,693,275
	1900	14,522	67,660,748	103,365	40,865,510	159,958,811
	1905	16,395	145,135,945	135,418	55,864,978	214,330,051
Woolen goods-----	1880	1,990	96,095,584	58,504	25,836,392	160,606,721
	1890	1,311	130,989,940	76,915	26,139,194	138,577,977
	1900	1,035	124,386,262	68,893	24,757,006	118,430,158
	1905	792	140,392,488	72,747	28,827,556	42,196,658
Worsted goods-----	1880	76	20,374,043	18,803	5,683,027	33,549,912
	1890	143	68,065,116	42,978	14,944,966	79,194,852
	1900	186	132,163,110	57,008	20,092,738	120,314,344
	1905	226	162,464,929	69,251	26,269,787	165,745,652

*Cotton production and manufacturing in the United States, also imports and exports of cotton manufactures.*

[From the Statistical Abstract of the United States.]

	Total com- mer- cial crop.	Taken for home con- sumption.			Raw cotton imported.	Exports of manu- factures of cotton.	Imports of manu- factures of cotton.
		By North- ern mills.	By South- ern mills.	Total.			
In thousands of bales.							
					Pounds.	Dollars.	Dollars.
1884	5,713	1,537	310	1,877	7,019,492	11,885,211	29,074,626
1885	5,706	1,437	316	1,753	5,115,680	11,836,591	27,197,241
1886	6,575	1,781	381	2,162	5,072,334	13,959,934	29,709,266
1887	6,499	1,087	401	2,088	3,924,531	14,929,342	28,940,353
1888	7,047	1,805	456	2,261	5,497,592	13,013,189	28,917,799
1889	6,939	1,790	480	2,270	7,973,039	10,212,644	26,805,942
1890	7,297	1,780	545	2,325	8,606,049	9,999,277	29,918,055
1891	8,674	2,027	613	2,640	20,908,817	13,604,857	29,712,624
1892	9,018	2,172	684	2,856	28,693,769	13,226,277	28,823,841
1893	6,664	1,652	723	2,375	43,367,052	11,809,355	33,590,293
1894	7,532	1,580	711	2,291	27,706,949	14,340,886	22,346,547
1895	9,837	2,019	852	2,871	49,332,022	13,789,810	33,196,625
1896	7,147	1,605	900	2,505	55,350,520	16,837,396	32,437,504
1897	8,706	1,793	999	2,792	51,898,926	21,037,678	34,423,363
1898	11,216	2,211	1,254	3,465	52,680,363	17,024,062	27,267,300
1899	11,256	2,217	1,415	3,632	50,158,158	23,566,914	32,051,434
1900	9,422	2,047	1,597	3,644	67,398,521	24,003,087	41,296,239
1901	10,339	1,964	1,583	3,547	46,631,283	20,272,418	40,246,935
1902	10,768	2,066	2,017	4,083	98,715,080	32,108,362	44,469,126
1903	10,674	1,966	1,958	3,924	74,874,426	32,216,804	52,462,755
1904	10,002	2,046	1,889	3,935	48,840,590	22,406,713	49,524,246
1905	13,654	2,292	2,270	4,562	60,508,548	49,066,080	48,919,936
1906	11,234	2,335	2,292	4,627	70,963,633	52,944,033	68,045,322
1907	13,540	2,510	2,495	5,005	104,791,784	82,306,412	78,704,636

Every dollar sent abroad to purchase goods that we can produce at home makes us a dollar the poorer.—H. K. Thurber, in the American Economist.

The safety and interest of the people require that they should promote such manufactures as tend to render them independent of others.—Washington.

Above all things we should avoid the demagogue as a pestilence and take counsel only of reason and right.—Hon. C. W. Fairbanks, at St. Paul, Minn., August 31, 1903.

Mr. Bryan asks me what I would do with the trusts. I answer that I would restrain unlawful trusts with all the efficiency of injunctive process and would punish with all the severity of criminal prosecution every attempt on the part of aggregated capital to suppress competition.—Hon. Wm. H. Taft, at Columbus, Ohio.

Duty determines destiny. Destiny which results from duty performed may bring anxiety and perils, but never failure and dishonor. Pursuing duty may not always lead by smooth paths. Another course may look easier and more attractive, but pursuing duty for duty's sake is always sure and safe and honorable.—President McKinley at Chicago, Oct. 19, 1898.

We should no sooner debase our currency than we should weaken our coast defenses. We should no more think of introducing unsound currency into our money system than we should think of weakening the steel armor plates upon our great battle ships which are gallantly withstanding the storm of Spanish shot.—Hon. C. W. Fairbanks, in U. S. Senate, June 3, 1898.

I have reviewed what have properly come to be known as President Roosevelt's policies. I have attempted to point out one or two instances in which I would qualify details of future policies which he has sketched, but with these minor exceptions as to method, I am glad to express my complete, thorough, and sincere sympathy with, and admiration for, the great conserving and conservative movement with which he has with wonderful success initiated and carried so far against bitter opposition, to remedy the evils of our prosperity and preserve to us the institutions we have inherited from our fathers.—Hon. Wm. H. Taft, at Columbus, Ohio.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.



*Twenty-seven years of production of iron and steel in the United States under the protective system.*

[From official reports of Bureau of Statistics.]

Year.	Pig iron produced in United States.	Crude steel produced in United States.	Per cent. of domestic iron used in home industries (fiscal year).	Price per ton of pig iron, No. 1 foundry.	Price of steel rails per ton.	Wire hauls, price per keg of 100 lbs.	Imports of iron and steel.	Exports of domestic manufactures of iron and steel.
Tons.	Tons.	Tons.						
1880.	3,895,191	1,247,345	78.44	\$28.48	\$67.52	---	\$71,283,660	\$11,716,794
1881.	4,144,254	1,538,311	90.23	25.17	61.08	---	60,604,177	16,604,767
1882.	4,623,323	1,736,692	89.36	25.77	48.50	---	67,976,837	20,718,294
1883.	4,535,510	1,673,535	91.44	22.42	37.75	---	58,495,246	22,823,528
1884.	4,077,868	1,550,879	94.20	19.81	30.75	---	40,147,053	21,906,881
1885.	4,014,526	1,711,923	96.43	17.59	28.52	---	33,610,093	16,513,155
1886.	5,083,329	2,562,503	13.92	18.71	31.52	\$3.51	37,534,078	15,745,539
1887.	6,417,148	3,839,071	93.13	20.03	37.08	3.15	49,203,164	15,978,502
1888.	6,489,788	2,879,410	95.17	18.88	29.83	2.55	48,992,757	17,763,034
1889.	7,003,642	3,385,782	97.35	17.76	29.25	2.49	42,377,738	21,136,077
1890.	9,202,703	4,277,071	98.10	18.41	31.78	2.51	41,679,591	25,512,208
1891.	8,279,870	3,901,240	99.12	17.52	29.92	2.01	53,514,372	28,901,614
1892.	9,157,000	4,927,581	99.01	15.75	30.00	1.70	28,928,103	28,800,830
1893.	7,124,502	4,019,995	99.39	14.52	28.12	1.49	31,987,974	30,101,482
1894.	6,057,388	4,412,032	99.64	12.66	21.00	1.11	20,925,769	29,220,294
1895.	9,446,308	6,114,834	99.79	13.10	24.33	1.69	23,048,515	32,000,989
1896.	8,623,127	5,281,689	99.07	12.95	28.00	2.51	25,388,103	41,160,877
1897.	9,652,680	7,155,957	99.77	12.10	18.75	1.46	16,094,557	57,497,872
1898.	11,773,934	8,932,857	99.79	11.66	17.62	1.45	12,626,431	76,406,885
1899.	13,620,703	10,639,357	99.80	10.36	28.12	2.60	12,100,440	93,716,031
1900.	13,789,312	10,183,329	98.55	10.98	32.29	2.76	20,478,728	121,913,518
1901.	15,878,351	13,473,595	98.55	15.87	27.33	2.41	17,874,789	117,319,330
1902.	17,821,307	14,947,240	99.71	22.19	28.00	2.15	27,180,247	98,532,592
1903.	18,009,252	14,534,978	94.92	19.92	28.00	2.13	51,617,312	66,612,467
1904.	16,407,073	13,859,887	98.95	15.57	28.00	1.96	27,028,812	111,948,595
1905.	22,992,380	20,023,947	99.27	17.88	28.00	1.93	23,510,164	131,728,373
1906.	25,307,191	23,398,138	98.91	20.98	28.00	1.98	29,073,987	160,984,035
1907.	25,781,361	23,360,000	97.83	23.89	28.00	2.18	40,587,895	131,530,871

<sup>a</sup> Not made in commercial quantities in the United States before 1887. <sup>b</sup> Democratic and low-tariff years. <sup>c</sup> Preliminary figures.

*Iron and steel manufacturing: Comparative summary, 1870 to 1905, with per cent of increase for each decade. (1)*

[From the United States Census.]

	Rate of census.			Per cent of increase.			
	1870. (2)	1880. (2)	1890.	1870 to 1880.	1880 to 1890.	1890 to 1905.	1870 to 1905.
Number of establishments	808	792	719	(3) 2.0	(3) 9.2	(3) 5.0	9.4
Capital	\$121,722,701	\$209,901,905	\$520,530,481	72.4	97.3	42.6	60.7
Salaries officials, clerks, etc., number	(4)	(4)	4,325			113.1	73.7
Salaries	(4)	(4)	\$6,402,238			81.7	78.8
Wage-earners, average number	77,535	(7) 140,798	171,181	81.5	21.6	30.0	9.0
Total wages	\$40,514,051	\$55,451,510	\$89,273,056	38.9	61.0	35.4	17.1
Men, 16 years and over	75,037	133,023	168,913	77.3	27.0	30.0	9.0
Wages	(4)	(4)	\$88,840,642	(3) 45.1	28.9	1,746.6	35.9
Women, 16 years and over	82	45	1,071			1,460.2	66.6
Wages	(4)	(4)	\$17,105	217.3	(3) 71.8	(3) 12.8	0.1
Children, under 16 years	2,436	7,730	1,901			(3) 0.9	9.7
Wages	(1)	(4)	\$116,208			77.2	46.1
Miscellaneous expenses	(5)	(5)	\$18,214,918			59.6	18.7
Cost of materials used	\$135,526,132	\$191,271,150	\$32,374,100	41.1	71.1	66.0	12.7
Value of products	\$207,203,696	\$296,557,635	\$522,431,701	43.1	61.4	81.4	18.1
Tons of products (2,240 pounds each)	3,293,585	6,486,733	\$301,031,918	98.8	150.7		

1 This summary includes only active establishments for 1880, 1890, and 1900; such establishments were not reported separately in 1870. The 600 establishments in 1900 and the 606 establishments in 1905 include in each case 1 penal institution, the figures for which are not included in Parts I and II of the Report on Manufactures.

2 For explanation of the apparent discrepancies in the data for 1870 and 1880, see remarks, page 2, Part I, Manufacturing Industries, 1890. In regard to the depreciated currency in 1870; and in regard to the inclusion of capital, employees, and wages relating to mining and other operations in the figures for 1880, see page 745, Statistics of Manufactures, 1880.

3 Decrease.

4 Not reported separately.

5 Not reported.

**World's Production of Pig Iron from 1800 to 1907.**

This table is given with the purpose of enabling a comparison of the growth of pig iron consumption in Great Britain under free trade with that of the protective countries, France, Germany and the United States.

*The world's production of pig iron from 1800 to 1907.*

[In gross tons of 2240 lbs.]

Year.	United States.	Great Britain.	Germany.	France.	Various.	Total.
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
1800.....	40,000	190,000	40,000	60,000	130,000	460,000
1810.....	55,000	250,000	46,000	85,000	180,000	616,000
1820.....	561,000	2,250,000	402,000	570,000	270,000	920,000
1830.....	20,000	400,000	90,000	140,000	385,000	1,570,000
1840.....	165,000	680,000	120,000	220,000	480,000	2,677,000
1850.....	287,000	1,340,000	170,000	350,000	640,000	4,426,000
1860.....	820,000	3,830,000	530,000	900,000	1,100,000	7,180,000
1870.....	1,865,000	5,930,000	1,330,000	1,180,000	1,710,000	11,905,000
1880.....	3,835,000	7,753,000	2,730,000	1,730,000	2,030,000	18,135,000
1885.....	4,050,000	7,420,000	2,690,000	1,630,000	2,310,000	18,100,000
1890.....	7,003,000	8,250,000	4,530,000	1,720,000	3,060,000	25,163,000
1895.....	9,446,000	7,703,000	5,465,000	2,005,000	4,247,000	28,867,000
1896.....	8,623,000	8,690,000	6,271,000	2,302,000	5,001,000	30,887,000
1897.....	9,652,000	8,795,000	6,771,000	2,444,000	5,267,000	32,930,000
1898.....	11,773,000	8,610,000	7,196,000	2,485,000	5,808,000	35,872,000
1899.....	13,620,000	9,421,000	8,013,000	2,537,000	6,461,000	40,055,000
1900.....	13,789,000	8,960,000	8,384,000	2,671,000	6,686,000	40,490,000
1901.....	15,878,000	7,929,000	7,754,000	2,351,000	6,886,000	40,798,000
1902.....	17,821,000	8,680,000	8,395,000	2,367,000	6,876,000	44,139,000
1903.....	18,009,000	8,935,000	9,860,000	2,796,000	6,677,000	46,277,000
1904.....	16,497,000	8,694,000	9,899,000	2,927,000	7,322,000	45,339,000
1905.....	22,992,000	9,608,000	10,703,000	3,028,000	7,539,000	53,900,000
1906.....	25,307,000	10,109,000	12,099,000	3,267,000	7,380,000	58,142,000
1907.....	25,781,000	9,924,000	12,672,000	3,532,000	7,591,000	*53,500,000

\*Preliminary estimate.

Note.—Official figures of the respective national statistical offices of the United States, the United Kingdom, Germany and France. Figures for all other countries taken from the French and Swedish Mineral Statistics.

Every man who has made wealth or used it in developing great legitimate business enterprises has been of benefit and not harm to the country at large.—President Roosevelt at Spokane, Wash., May 26, 1903.

The exposure and punishment of public corruption is an honor to a nation, not a disgrace. The disgrace lies in toleration, not in correction.—President Roosevelt's annual message, second session Fifty-seventh Congress.

Whenever the Government revenues need an increase or readjustment I should strongly favor the imposition of a graduated inheritance tax and, if necessary for the revenues, a change in the Constitution authorizing a Federal income tax.—Hon. Wm. H. Taft, at Columbus, Ohio.

Every citizen of the United States has an interest and a right in every election within the Republic where national representatives are chosen. We insist that these laws relating to our national elections shall be enforced, not nullified.—President Garfield.

The real evils connected with the trusts can not be remedied by any change in the tariff laws. The trusts can be damaged by depriving them of the benefits of a protective tariff only on condition of damaging all their smaller competitors and all the wage-earners employed in the industry. President Roosevelt, at Cincinnati, September 20, 1902.

Mr. Bryan is continually asking why some of the managers of unlawful trusts have not been convicted and sent to the penitentiary? I sympathize with him in his wish that this may be done, because I think that the imprisonment of one or two would have a most healthy effect throughout the country; but even without such imprisonment, I believe that the prosecutions which are now on foot and the injunctions which have already been issued have had a marked effect on business methods.—Hon. Wm. H. Taft, at Columbus, Ohio.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

**Iron and steel manufacturing: Comparative summary, 1870 to 1905, with per cent of increase for each decade. (1)**

[From the United States Census.]

	State of census.				Per cent of increase.			
	1870. (2)	1880. (2)	1890.	1905.	1870 to 1880.	1880 to 1890.	1890 to 1905.	
Number of establishments	806	792	719	606	(3) 2.0	(3) 9.2	(3) 5.0	
Capital	\$121,722,701	\$200,991,905	\$300,530,181	\$648,680,840	72.4	97.3	60.7	
Salaries officials, clerks, etc., number	(4)	(4)	4,225	9,217			113.1	
Salaries	(4)	(1)	\$5,462,298	\$11,741,788			81.7	
Wage-earners, average number	77,555	(7) 140,798	171,181	222,607	81.5	21.6	30.0	
Total wages	\$40,514,981	\$55,431,310	\$89,273,956	\$141,480,983	36.9	61.0	35.4	
Men, 16 years and over	75,037	133,023	168,943	210,685	77.3	27.0	30.0	
Wages	(4)	(4)	\$88,840,642	\$120,157,027	(3) 45.1	28.9	37.0	
Women, 16 years and over	(4)	45	58	1,071			1,746.6	
Wages	(4)	(4)	\$17,103	\$66,888			1,460.2	
Children, under 16 years	(4)	7,730	2,180	1,902	217.3	(3) 71.8	65.6	
Wages	(1)	(3)	\$112,443	\$152,329	(3) 19.8		0.1	
Miscellaneous expenses	(5)	(3)	\$19,213,918	\$47,161,970	(3) 0.9		9.7	
Cost of materials used	(1)	(3)	\$18,214,815	\$32,271,700	77.2		46.1	
Value of products	\$137,526,132	\$396,577,065	\$671,031,918	\$970,171,581	41.1	71.1	59.6	
Tons of products (2,240 pounds each)	3,253,385	6,486,733	22,507,860	31,544,333	43.1	61.4	18.7	
					98.8	150.7	18.1	

1 This summary includes only active establishments for 1890, 1890, and 1900: such establishments were not reported separately in 1870. The 606 establishments in 1900 and the 606 establishments in 1905 include in each case 1 penal institution, the figures for which are not included in Parts I and II of the Report on Manufactures.

2 For explanation of the apparent discrepancies in the data for 1870 and 1890, see remarks, page 2, Part I, Manufacturing Industries, 1890, in regard to the depreciated currency in 1870; and in regard to the inclusion of capital, employees, and wages relating to mining and other operations in the figures for 1890, see page 745, Statistics of Manufactures, 1890.

3 Decrease.

4 Not reported separately.

5 Not reported.

workmen are carrying well-filled dinner pails, a condition which has accompanied Republican supremacy since the birth of the party.

The records for the last six administrations, four Republican and two Democratic, show that the farmers received more for their crops under Republican administrations than under Democratic administrations.

The farm value of the corn crops for the four years of Cleveland's first administration, from 1885 to 1888, aggregated \$2,570,000,000.

In the four years of the Harrison administration which followed, the farm value of the corn crop aggregated \$2,831,000,000, an increase in value of more than \$260,000,000 over that of this crop during the Cleveland administration.

For the next four years, while Mr. Cleveland was President and Democratic policies were in force, the farm value of the corn crop aggregated \$2,182,000,000, a decrease of \$649,000,000 from that during the Harrison administration.

Then came the Republican administration of William McKinley and for the four years of that administration the farm value of the corn crop aggregated \$2,434,000,000, or an increase of \$252,000,000 over that of the last Democratic administration; in the succeeding four years, 1901-4, it was \$3,979,000,000, or nearly double the value of the crop of the last Democratic administration; while in the first three years of the present administration it was \$3,620,000,000, or, in three years, \$1,438,000,000 more than in the four years of the second Cleveland administration.

The value of the live stock on the farms of the country, which was reported by the Agricultural Department, January 1, 1897, as \$1,655,000,000, was reported at \$4,331,000,000 in 1907, an increase of \$2,676,000,000 in eleven years.

With the increased activity, increased earnings, and increased consumption, the farmer has received greatly increased prices for his productions.

The Agricultural Department reports an increase of \$332,000,000 in the farm value of the cereals alone in 1900, as compared with 1896, and a further increase of \$1,036,000,000 in 1907, as compared with 1896, making a total increase of \$1,368,000,000, these figures representing the actual value upon the farm before leaving the hands of the producer, while other articles of farm production show an equal advance in value.

The exportation of agricultural products increased from \$574,000,000 in 1896 to \$845,000,000 in 1900, and to \$1,055,000,000 in 1907, a total increase of \$481,000,000 in the mere surplus remaining after supplying the great and rapidly expanding home market.

#### Wheat and Oats.

The same law of fluctuation according to political policies in administration held good as to wheat and oats. The farm value of the wheat crop for the four years of the first Cleveland administration aggregated \$1,285,000,000, and for the next four years, including the Harrison administration, the farm value of the wheat crop aggregated \$1,513,000,000, an increase of \$228,000,000 in the farm value of the wheat over that for the preceding Democratic administration.

For the next four years, under the second Cleveland administration, the farm value of the wheat crop aggregated \$988,000,000, a shrinkage of \$525,000,000 in the value of the wheat crop from the preceding four years under Republican administration.

Again came a change of policy in government and during the first four years of the McKinley administration the wheat crop took another advance in value. For these four years of the McKinley administration the farm value of the wheat crop aggregated \$1,464,000,000, an increase in value amounting to nearly \$500,000,000.

In the next four years, or during the McKinley-Roosevelt administration, the wheat crop was worth \$1,843,000,000 to the farmers, or \$855,000,000 more than during the second Cleveland administration. For the succeeding three years of the



Republican administration, 1905-7, the farm value of the wheat crop amounted to \$1,563,000,000, almost as much in three years as in the preceding four years and \$576,000,000 more than in the four years of the second Cleveland administration.

The farm value of the oat crop in the four years of the first Cleveland administration aggregated \$762,000,000; for the next four years, under the Harrison administration, the farm value of the oat crop increased to \$835,000,000; for the next four years, under Cleveland, this crop decreased in value to \$699,000,000; for the next four years, under McKinley administration, it increased to \$741,000,000, and during the four years of the McKinley-Roosevelt administration, it was \$1,145,000,000.

During the last three years of the Republican administration its aggregate value has been \$918,000,000, or \$219,000,000 more in three years than during the preceding four years of the second Cleveland administration.

The farm value of the hay crop in 1896 was \$388,000,000; in 1900 it was \$445,500,000; and in 1907 it was \$1,336,901,000.

The farm value of the potato crop in 1896 was \$72,000,000; in 1900 it was \$90,800,000; and in 1907 it was \$183,900,000.

#### Farm Animals.

During the eleven years of Republican administration, the farm animals of the country have increased in value from \$1,655,000,000 on January 1, 1897, to \$4,331,000,000 on January 1, 1908.

The number of horses has increased from 14,365,000 to 19,992,000; and their value from \$453,000,000 to \$1,868,000,000.

The number of mules has increased from 2,216,000 to 3,869,000 and their value from \$92,000,000 to \$177,000,000.

The number of milch cows has increased from 15,942,000 to 21,194,000, and their value from \$369,000,000 to \$650,000,000.

The number of cattle other than milch cows has increased from 30,508,000 to 50,073,000, and their value from \$508,000,000 to \$846,000,000.

The number of sheep has increased from 36,819,000 to 54,631,000 and their value from \$67,000,000 to \$212,000,000.

The number of swine has increased from 40,600,000 to 56,084,000, and their value from \$166,000,000 to \$330,000,000.

It will readily be perceived from the foregoing figures that the increase in total value is far more than proportional to the increase in number. The total value of sheep, for example, is more than thrice; that of mules, three and one-half times; and that of horses more than four times as great as it was when the Republicans took hold of the administration of the country eleven years ago.

The "man with the hoe" has only to look at the record to see which way points to prosperity.

#### Value of Farm Animals under Harrison, Cleveland, McKinley and Roosevelt.

After lands and improvements, the greatest item of wealth of the American farmer is his live stock, and the value of such farm stock is a perfect barometer of his financial condition. Practically the highest point ever reached up to that time was at the close of 1892, the last year of the Harrison administration, when the valuation was \$2,462,000,000, the country being prosperous, labor fully employed, and wages good. The lowest point reached in the last 23 years was at the close of 1896, when mills were closed, fires drawn, labor idle, capital in hiding, and business confidence destroyed by four years of Democratic administration. In four years the shrinkage of this form of farm wealth had amounted to 33 per cent, making \$807,000,000 the price which the owners of live stock paid for the Democratic experiment of 1892. In the years of industrial activity which followed the election of McKinley, the value of live stock has kept pace upward with the increased earning and spending capacity of American labor, and on January 1, 1900, it had advanced to \$2,288,000,000, or a rise of \$633,000,000 or 32 per cent, from the depths of depression. The figures in detail, as shown in the official reports of the Department of Agriculture, are as follows:

## Value of live stock.

	Jan. 1, 1892, Harrison.	Jan. 1, 1897, Cleveland.	Jan. 1, 1900, McKinley.	Jan. 1, 1904, Roosevelt.	Jan. 1, 1908, Roosevelt.
Horses -----	\$1,007,598,636	\$482,649,896	\$608,969,042	\$1,136,940,298	\$1,867,530,000
Mules -----	174,862,070	92,802,000	111,717,092	217,532,832	416,939,000
Cows -----	351,378,132	369,239,998	514,812,106	506,841,489	650,057,000
Cattle -----	570,749,155	507,929,421	689,487,260	712,178,134	845,938,000
Sheep -----	116,121,290	67,020,942	122,665,913	133,580,099	211,736,000
Hogs -----	241,031,415	166,272,770	245,725,000	289,224,627	339,030,000
<b>Total</b> -----	<b>2,461,755,698</b>	<b>1,655,414,612</b>	<b>2,288,375,413</b>	<b>2,998,247,479</b>	<b>4,831,230,000</b>

## EXCHANGE VALUE OF FARM PRODUCTS.

## Prices of Raw Materials as Compared with Prices of Manufactured Articles, 1896 and 1907.

During the last few years, when prices in general have advanced, it is interesting to determine in what degree the producer of the farm products has been benefited by the rise.

The table which follows has been prepared from official figures published in Bulletin No. 75 of the United States Bureau of Labor, and shows the per cent of advance in 1907 as compared with 1896, the last year of Democratic administration, the commodities being grouped as in the original source. The comparisons are between wholesale prices, as in the language of the original report "they are more sensitive than retail prices and more quickly reflect changes in conditions."

Comparing 1907 with 1896, farm products show an advance of 75.10 per cent; that is, for every \$100 received from the sale of farm products in 1896 the farmer received in 1907 \$175.10 for the same quantity.

Food, etc., advanced 40.57 per cent; cloths and clothing, 38.77 per cent; fuel and lighting, 29.43 per cent, etc. It is seen that the advance in farm products has been much greater than in any of the other groups of commodities, as compared with fuel and lighting and with house furnishing goods it being more than twice as great, while as compared with drugs and chemicals the advance has been more than four times as great. It will likewise be observed that the wholesale prices of food have increased much more than the retail prices.

The purchasing power of farm products in 1907 increased materially over 1896. The same quantity of farm products would purchase in 1907 24.56 per cent more food than in 1896. It would purchase 26.18 per cent more cloths and clothing, 35.28 per cent more of the articles included in the fuel and lighting group, 14.41 per cent more metals and implements, 11.33 per cent more lumber and building materials, 47.94 per cent more drugs and chemicals, 38.89 per cent more house furnishing goods, and 25.92 per cent more of the articles included in the miscellaneous group.

*This shows that no one has been benefited by the advance in prices as much as the farmer; that in 1907 the price of farm products was 75.10 per cent, or three-fourths greater than in 1896; that even when the advance in price of other articles is considered the purchasing power of farm products in 1907 was, when compared with other groups of articles, from 11.33 per cent to 47.94 per cent greater than in 1896.*

The following table shows the comparisons:

The leader of the Republican party during the Civil War was Abraham Lincoln. In all the varieties of controversy which it has since had to deal, it has never lost the inspiration of his leadership.—Hon. Wm. H. Taft, at Kansas City, Mo.

In the struggle for higher things, association of men and of women everywhere, organized for worthy purposes, can, because of the strength and power that come from organization, exert a large influence for good.—Address of Secretary Cortelyou, at the annual banquet of the Auburn Business Men's Association, Auburn, N. Y., Wednesday, April 23, 1908.

*Comparative advance in the price of farm products and other groups of commodities, 1907, compared with 1896.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Groups.	Advance.	Purchasing power
	Per cent.	Per cent.
Farm products.....	75.10	
Food, etc.....	40.57	24.36
Cloths and clothing.....	55.77	26.18
Fuel and lighting.....	29.43	55.28
Metals and implements.....	53.04	14.41
Lumber and building materials.....	57.23	11.33
Drugs and chemicals.....	15.36	47.94
House furnishing goods.....	26.06	58.50
Miscellaneous articles.....	39.06	25.92
All commodities.....	45.25	22.23

It is interesting to notice in the tables which follow the comparative advance in the price of certain related commodities. The average price in 1907 has been compared with the average price in 1896. In practically every case the raw material advanced more than the finished product.

The first table shows that live cattle advanced 39.18 per cent, while fresh beef advanced but 26.74 per cent. *With the same weight of live cattle 9.82 per cent more fresh beef could be purchased in 1907 than in 1896.*

Hogs advanced 77.78 per cent and smoked hams 38.20 per cent. *With the same weight of live hogs 28.64 per cent more ham could be bought in 1907 than in 1896.*

Sheep which the farmer sells advanced 61.25 per cent; mutton which the workingman buys advanced 39.93 per cent. *With the same weight of sheep 15.24 per cent more mutton could be purchased in 1907 than in 1896.*

Corn advanced 104.72 per cent, while corn meal advanced but 69.90 per cent. *With the same quantity of corn 20.5 per cent more corn meal could be purchased in 1907 than in 1896.*

Wheat, which the farmer raises, advanced 41.45 per cent, while wheat flour for everybody's use advanced 19.08 per cent. *That is, with the same quantity of wheat 18.79 per cent more flour could be purchased in 1907 than in 1896.*

Raw cotton advanced 50.00 per cent, cotton bags 51.20 per cent, calico 27.50 per cent, cotton flannels 48.56 per cent, cotton thread 35.34 per cent, cotton yarns 43.98 per cent, denims 39.85 per cent, drillings 46.91 per cent, gingham 38.64 per cent, cotton hosiery 7.62 per cent, print cloths 84.16 per cent, sheetings 35.73 per cent, shirtings 40.35 per cent, and tickings 34.79 per cent. The average advance for cotton goods was but 41.07 per cent, against 50.00 per cent for the raw cotton.

*With the same quantity of raw cotton 6.33 per cent more manufactured cotton goods could be purchased in 1907 than in 1896.*

Wool shows an advance of 72.10 per cent, blankets (all wool) 33.26 per cent, broadcloths 46.30 per cent, carpets 36.59 per cent, flannels 44.15 per cent, horse blankets (all wool) 44.16 per cent, overcoatings (all wool) 43.94 per cent, shawls 20.09 per cent, suitings, 51.59 per cent, underwear (all wool) 24.92 per cent, women's dress goods (all wool) 76.65 per cent, and worsted yarns 75.45 per cent—an average advance for woolen goods of 44.06 per cent, while the raw material—wool—advanced 72.10 per cent. *Or with the same quantity of wool 19.46 per cent more manufactured woolen goods could be bought in 1907 than in 1896.*

The following table shows this information in tabular form:

*Comparative advance in prices of certain related commodities, 1907, compared with 1896.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

	Per cent.
Cattle .....	39.18
Fresh beef .....	26.74



	Per cent.
Hogs .....	77.78
Hams .....	38.20
Sheep .....	61.25
Mutton .....	39.93
Corn .....	104.72
Corn meal .....	69.90
Wheat .....	41.43
Wheat flour .....	19.08
Cotton—Upland middling .....	50.00
Cotton bags .....	51.20
Calico .....	27.50
Cotton flannels .....	48.56
Cotton thread .....	35.34
Cotton yarns .....	43.98
Denims .....	39.85
Drillings .....	46.91
Hosiery (cotton) .....	7.62
Print cloths .....	84.16
Sheetings .....	35.73
Shirtings .....	40.35
Tickings .....	34.79
Average for cotton goods .....	41.07
Wool .....	72.10
Blankets (all wool) .....	33.26
Broadcloths .....	46.30
Carpets .....	36.59
Flannels .....	44.15
Horse blankets (all wool) .....	44.16
Overcoatings (all wool) .....	43.94
Shawls .....	20.09
Suitings .....	51.59
Underwear (all wool) .....	24.92
Women's dress goods (all wool) .....	76.65
Worsted yarns .....	75.45
Average for woolen goods .....	44.06

**Market Value of Farm Products in 1896 and 1907 when measured by the Wholesale Prices of Staple Articles.**

The farmer and stock raiser measures the value of his grain and stock not only by the amount of money he will receive per bushel or per pound, but also by the value of such articles as he must buy for use by his family and on the farm.

No official retail prices, other than for certain articles of food, have been published for recent years, but the United States Bureau of Labor in its bulletin of March, 1908, published wholesale prices of the staple articles in general use. From this publication the following tables have been prepared, showing the value of corn, wheat, oats, cattle, hogs, and dairy butter in 1896 and 1907, when measured by the value of other staple articles which the farmer must buy.

While these figures do not represent the actual purchasing power (as all prices are wholesale), yet the figures shown for the two years, 1896 and 1907, are in practically the same proportion as retail prices would show.

Ten bushels of corn in 1896 was equal in value to 20.9 pounds of Rio coffee, while in 1907 it was equal to 80.2 pounds, or about four times as much. In 1896 10 bushels of corn was equal in value to 56.9 pounds of granulated sugar, in 1907 equal to 113.5 pounds; in 1896 equal to 49.1 yards of calico, in 1907 to 87.7 yards; in 1896 equal to 54.7 yards of gingham, in 1907 to 80.2 yards; in 1896 to 41.5 yards of Indian Head sheeting, in 1907 to 63.2 yards; in 1896 to 37.7 yards of Lonsdale shirtings, in 1907 to 51.5 yards; in 1896 to 19 bushels of stove coal (anthracite), in 1907 to 30.7 bushels; in 1896 to 24.8 gallons of refined petroleum, in 1907 to 39.2 gallons; in 1896 to 95 pounds of 8-penny cut nails, in 1907 to

244 pounds; in 1896 to 88 pounds of 8-penny wire nails, in 1907 to 249 pounds; in 1896 to 10.7 ounces of quinine, in 1907 to 29.7 ounces. It must be borne in mind that these values are based on the average yearly prices of these articles.

The comparative values of corn, wheat, oats, cattle, hogs, and dairy butter presented in the tables which follow show wonderful increases:

*Value of 10 bushels of corn in 1896 and 1907 when measured by the wholesale prices of the following staple articles.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Articles.	1896.	1907.
Coffee, Rio, No. 7.....	pounds 20.9	80.2
Sugar, granulated.....	pounds 56.9	113.5
Tea, Formosa, fine.....	pounds 10.0	23.0
Shoes, men's calf bal., Goodyear welt.....	pairs a	b
Shoes, women's solid grain.....	pairs c	d
Calico, Cocheeo prints.....	yards 49.1	87.7
Denims, Amoskeag.....	yards 26.1	38.2
Drillings, brown, Pepperell.....	yards 45.0	64.0
Ginghams, Amoskeag.....	yards 54.7	80.2
Hosiery, women's cotton hose, 26 to 28 oz.....	pairs 39.0	78.0
Overcoatings, chinchilla, cotton warp.....	yards 5.9	10.8
Sheetings, bleached, 10-1, Wamsutta S. T.....	yards 8.8	17.3
Sheetings, brown, 4-4, Indian Head.....	yards 41.5	69.2
Shirtings, bleached, 4-4, Lonsdale.....	yards 37.7	51.5
Suitings, indigo blue, all wool, 14 oz., Middlesex.....	yards 2.3	3.1
Tickings, Amoskeag, A. C. A.....	yards 25.3	38.5
Women's dress goods, cashmere, cotton warp, Atlantic F.....	yards 20.3	29.6
Coal, anthracite, stove.....	bushels 19.0	30.7
Petroleum, refined, 150° test.....	gallons 24.8	39.2
Nails, cut, 8-penny, fence and common.....	pounds 95.0	244.0
Nails, wire, 8-penny, fence and common.....	pounds 88.0	249.0
Carbonate of lead (white lead), American, in oil.....	pounds 49.9	75.8
Cement, Portland, American.....	barrels 1.3	3.2
Quinine, American.....	ounces 10.7	29.7
Glassware, tumblers, ½ pint, common.....	172.0	422.0

a 1 pair and 18 cents over.

b 1 pair and \$2.48 over.

c 3 pairs and 3 cents over.

d 5 pairs and 25 cents over.

*Value of 10 bushels of wheat in 1896 and 1907 when measured by the wholesale prices of the following staple articles.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Articles.	1896.	1907.
Coffee, Rio, No. 7.....	pounds 52.0	137.9
Sugar, granulated.....	pounds 141.5	195.1
Tea, Formosa, fine.....	pounds 24.8	39.4
Shoes, men's calf bal., Goodyear welt.....	pairs a	b
Shoes, women's solid grain.....	pairs c	d
Calico, Cocheeo prints.....	yards 123.2	150.7
Denims, Amoskeag.....	yards 64.9	65.7
Drillings, brown, Pepperell.....	yards 111.9	110.0
Ginghams, Amoskeag.....	yards 135.9	187.9
Hosiery, women's cotton hose, 26 to 28 oz.....	pairs 98.0	131.0
Overcoatings, chinchilla, cotton warp.....	yards 14.7	18.5
Sheetings, bleached, 10-1, Wamsutta S. T.....	yards 21.9	29.7
Sheetings, brown, 4-4, Indian Head.....	yards 103.1	108.7
Shirtings, bleached, 4-4, Lonsdale.....	yards 93.6	88.5
Suitings, indigo blue, all wool, 14 oz., Middlesex.....	yards 5.6	5.3
Tickings, Amoskeag, A. C. A.....	yards 62.9	66.1
Women's dress goods, cashmere, cotton warp, Atlantic F.....	yards 50.5	40.6
Coal, anthracite, stove.....	bushels 47.8	52.7
Petroleum, refined, 150° test.....	gallons 61.7	67.4
Nails, cut, 8-penny, fence and common.....	pounds 236.0	420.0
Nails, wire, 8-penny, fence and common.....	pounds 219.0	429.0
Carbonate of lead (white lead), American, in oil.....	pounds 124.0	130.2
Cement, Portland, American.....	pounds 3.2	5.5
Quinine, American.....	ounces 26.7	51.1
Glassware, tumblers, ½ pint, common.....	421.8	738.8

a 2 pairs and \$1.61 over.

b 3 pairs and 67 cents over.

c 7 pairs and 56 cents over.

d 9 pairs and 1 cent over.



## PRICES OF FARM PRODUCTS.

*Value of 10 bushels of oats in 1896 and 1907 when measured by the wholesale prices of the following staple articles.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Articles.	1893.	1907.
Coffee, Rio, No. 7.....	pounds..... 14.6	89.4
Sugar, granulated.....	pounds..... 39.7	96.8
Tea, Formosa, fine.....	pounds..... 7.0	19.6
Shoes, men's calf bal., Goodyear welt.....	pairs..... a	b
Shoes, women's solid grain.....	pairs..... c	d
Calico, Ocoheco prints.....	yards..... 34.3	74.8
Denims, Amoskeag.....	yards..... 18.2	32.6
Drillings, brown, Pepperell.....	yards..... 31.4	51.6
Ginghams, Amoskeag.....	yards..... 33.2	68.4
Hosiery, women's cotton hose, 26 to 28 oz.....	pairs..... 28.0	65.0
Overcoatings, chinchilla, cotton warp.....	yards..... 4.1	9.2
Sheetings, bleached, 10-4, Wamsutta S. T.....	yards..... 6.2	14.8
Sheetings, brown, 4-4, Indian Head.....	yards..... 29.0	53.9
Shirtings, bleached, 4-4, Lonsdale.....	yards..... 26.3	43.9
Suitings, indigo blue, all wool, 14 oz., Middlesex.....	yards..... 1.6	2.6
Tickings, Amoskeag, A. C. A.....	yards..... 17.7	32.8
Women's dress goods, cashmere, cotton warp, Atlantic F.....	yards..... 14.2	20.2
Coal, anthracite, stove.....	bushels..... 13.3	26.1
Petroleum, refined, 150° test.....	gallons..... 4.1	33.4
Nails, cut, 8-penny, fence and common.....	pounds..... 66.0	208.0
Nails, wire, 8-penny, fence and common.....	pounds..... 62.0	212.0
Carbonate of lead (white lead), American, in oil.....	pounds..... 34.8	64.6
Cement, Portland, American.....	barrels..... 0.9	2.7
Quinine, American.....	ounces..... 7.5	25.4
Glassware, tumblers, ½ pint, common.....	..... 120.0	360.0

a Lacks 60 cents of price of 1 pair.

b 1 pair and \$1.70 over.

c 2 pairs and 10 cents over.

d 4 pairs and 48 cents over.

*Value of hogs (heavy) per 100 pounds in 1896 and 1907 when measured by the wholesale prices of the following staple articles.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Articles.	1893.	1907.
Coffee, Rio, No. 7.....	pounds..... 27.2	92.4
Sugar, granulated.....	pounds..... 74.1	130.7
Tea, Formosa, fine.....	pounds..... 13.0	26.4
Shoes, men's calf bal., Goodyear welt.....	pairs..... a	b
Shoes, women's solid grain.....	pairs..... c	d
Calico, Ocoheco prints.....	yards..... 64.0	101.0
Denims, Amoskeag.....	yards..... 34.0	44.0
Drillings, brown, Pepperell.....	yards..... 58.6	73.7
Ginghams, Amoskeag.....	yards..... 71.1	92.4
Hosiery, women's cotton hose, 26 to 28 oz.....	pairs..... 51.0	88.0
Overcoatings, chinchilla, cotton warp.....	yards..... 7.7	12.4
Sheetings, bleached, 10-4, Wamsutta S. T.....	yards..... 11.5	19.9
Sheetings, brown, 4-4, Indian Head.....	yards..... 54.0	72.8
Shirtings, bleached, 4-4, Lonsdale.....	yards..... 49.0	59.3
Suitings, indigo blue, all wool, 14 oz., Middlesex.....	yards..... 3.0	3.6
Tickings, Amoskeag, A. C. A.....	yards..... 33.0	44.8
Women's dress goods, cashmere, cotton warp, Atlantic F.....	yards..... 26.4	27.2
Coal, anthracite, stove.....	bushels..... 24.8	35.3
Petroleum, refined, 150° test.....	gallons..... 32.3	45.2
Nails, cut, 8-penny, fence and common.....	pounds..... 124.0	281.0
Nails, wire, 8-penny, fence and common.....	pounds..... 115.0	287.0
Carbonate of lead (white lead), American, in oil.....	pounds..... 64.9	87.2
Cement, Portland, American.....	barrels..... 1.7	3.7
Quinine, American.....	ounces..... 14.0	34.3
Glassware, tumblers, ½ pint, common.....	..... 224.0	496.0

a 1 pair and 96 cents over.

b 2 pairs and 48 cents over.

c 3 pairs and 81 cents over.

d 6 pairs and 4 cents over.

Whenever the interstate commerce commission deems it important as an aid in fixing rates to determine what it would cost now to rebuild any railroad, it has complete power to do so.—Hon. Wm. H. Taft, at Columbus, Ohio.

For an individual as for a party, a good record is a good platform to stand on. Fremont, Lincoln to McKinley and Roosevelt—what a record, and what an assurance for the future. Hon. George B. Cortelyou, in an address to the New York State League of Republican Clubs, November 5, 1904.

*Value of cattle (good to extra steers) per 100 pounds in 1896 and 1907 when measured by the wholesale prices of the following staple articles.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Articles.	1896.	1907.
Coffee, Rio, No. 7.....	pounds..... 36.0	93.9
Sugar, granulated.....	pounds..... 97.8	132.8
Tea, Formosa, fine.....	pounds..... 17.2	26.9
Shoes, men's calf bal., Goodyear welt.....	pairs..... a	b
Shoes, women's solid grain.....	pairs..... c	d
Calico, Cochecho prints.....	yards..... 84.8	102.6
Denims, Amoskeag.....	yards..... 44.9	44.7
Drillings, brown, Pepperell.....	yards..... 77.4	74.9
Ginghams, Amoskeag.....	yards..... 93.9	93.9
Hosiery, women's cotton hose, 26 to 28 oz.....	pairs..... 68.0	89.0
Overcoatings, chinchilla, cotton warp.....	yards..... 10.2	12.6
Sheetings, bleached, 10-4, Wamsutta S. T.....	yards..... 15.2	20.3
Sheetings, brown, 4-4, Indian Head.....	yards..... 71.3	71.0
Shirtings, bleached, 4-4, Lonsdale.....	yards..... 64.7	60.3
Suitings, indigo blue, all wool, 14 oz., Middlesex.....	yards..... 3.9	3.6
Tickings, Amoskeag, A. C. A.....	yards..... 43.5	45.0
Women's dress goods, cashmere, cotton warp, Atlantic F.....	yards..... 34.9	27.7
Coal, anthracite, stove.....	bushels..... 32.7	35.9
Petroleum, refined, 150° test.....	gallons..... 42.7	45.9
Nails, cut, 8-penny, fence and common.....	pounds..... 163.0	286.0
Nails, wire, 8-penny, fence and common.....	pounds..... 152.0	292.0
Carbonate of lead (white lead), American, in oil.....	pounds..... 85.8	88.6
Cement, Portland, American.....	barrels..... 2.2	3.8
Quinine, American.....	ounces..... 18.4	34.8
Glassware, tumblers, ½ pint, common.....	ounces..... 296.0	291.0

a 1 pair and \$2.03 over.

b 2 pairs and 57 cents over.

c 5 pairs and 18 cents over.

d 6 pairs and 14 cents over.

*Value of 20 pounds of butter (New York State dairy) in 1896 and 1907 when measured by the wholesale prices of the following staple articles.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Articles.	1896.	1907.
Coffee, Rio, No. 7.....	pounds..... 27.0	81.2
Sugar, granulated.....	pounds..... 73.5	114.9
Tea, Formosa, fine.....	pounds..... 12.9	23.2
Shoes, men's calf bal., Goodyear welt.....	pairs..... a	b
Shoes, women's solid grain.....	pairs..... c	d
Calico, Cochecho prints.....	yards..... 63.4	88.7
Denims, Amoskeag.....	yards..... 33.7	38.7
Drillings, brown, Pepperell.....	yards..... 58.1	64.8
Ginghams, Amoskeag.....	yards..... 70.6	81.2
Hosiery, women's cotton hose, 26 to 28 oz.....	pairs..... 51.0	77.5
Overcoatings, chinchilla, cotton warp.....	yards..... 7.6	10.9
Sheetings, bleached, 10-4, Wamsutta S. T.....	yards..... 11.4	17.5
Sheetings, brown, 4-4, Indian Head.....	yards..... 53.5	64.0
Shirtings, bleached, 4-4, Lonsdale.....	yards..... 48.6	52.1
Suitings, indigo blue, all wool, 14 oz., Middlesex.....	yards..... 2.9	3.1
Tickings, Amoskeag, A. C. A.....	yards..... 32.7	38.9
Women's dress goods, cashmere, cotton warp, Atlantic F.....	yards..... 26.2	23.9
Coal, anthracite, stove.....	bushels..... 24.6	31.0
Petroleum, refined, 150° test.....	gallons..... 32.1	39.7
Nails, cut, 8-penny, fence and common.....	pounds..... 123.0	247.0
Nails, wire, 8-penny, fence and common.....	pounds..... 114.0	252.0
Carbonate of lead (white lead), American, in oil.....	pounds..... 64.4	76.6
Cement, Portland, American.....	barrels..... 1.7	3.2
Quinine, American.....	ounces..... 18.8	30.1
Glassware, tumblers, ½ pint, common.....	ounces..... 222.0	427.0

a 1 pair and 93 cents over.

b 1 pair and \$2.54 over.

c 3 pairs and 78 cents over.

d 5 pairs and 31 cents over.

When the comparative value of silver is shown the decrease is remarkable. The value in 1907 is less than in 1896 when measured by 18 of the 25 articles. In 1896 the value of 10 ounces of silver was equal to 150.5 pounds of granulated sugar, in 1907 it was equal to but 141.9 pounds; in 1896 equal to 144.5 yards of gingham, in 1907 to 100.3 yards; in 1896 equal to 100.3 yards of Indian Head sheetings, in 1907 to 79.0 yards; in 1896 equal to 50.3 bushels of stove coal (anthracite), in 1907 to but 38.3 bushels. The table follows:



*Value of 10 ounces of silver (fine bar) in 1896 and 1907 when measured by the wholesale prices of the following staple articles.*

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

Articles.	1896.	1907.
Coffee, Rio, No. 7.....	pounds. 55.3	100.3
Sugar, granulated.....	pounds. 159.5	141.9
Tea, Formosa, fine.....	pounds. 26.4	28.7
Shoes, men's calf bal., Goodyear welt.....	pairs. a	b
Shoes, women's solid grain.....	pairs. c	d
Calico, Cocheo prints.....	yards. 129.9	101.6
Denims, Amoskeag.....	yards. 69.0	47.8
Drillings, brown, Pepperell.....	yards. 119.0	80.0
Ginghams, Amoskeag.....	yards. 144.5	100.3
Hosiery, women's cotton hose, 26 to 28 oz.....	pairs. 104.0	95.0
Overcoatings, chinchilla, cotton warp.....	yards. 15.7	13.4
Sheetings, bleached, 104, Wamsutta S. T.....	yards. 23.3	21.6
Sheetings, brown, 4-4, Indian Head.....	yards. 109.6	79.0
Shirtings, bleached, 4-4, Lonsdale.....	yards. 99.6	64.4
Suitings, indigo blue, all wool, 14 oz., Middlesex.....	yards. 6.0	5.9
Tickings, Amoskeag, A. O. A.....	yards. 66.9	48.1
Women's dress goods, cashmere, cotton warp, Atlantic F.....	yards. 53.7	29.5
Coal, anthracite, stove.....	bushels. 50.2	38.3
Petroleum, refined, 150° test.....	gallons. 65.6	49.6
Nails, cut, 8-penny, fence and common.....	pounds. 251.0	305.0
Nails, wire, 8-penny, fence and common.....	pounds. 233.0	312.0
Carbonate of lead (white lead), American, in oil.....	pounds. 131.9	94.7
Cement, Portland, American.....	barrels. 3.4	4.0
Quinine, American.....	ounces. 28.3	37.2
Glassware, tumblers, ½ pint, common.....	455.0	525.0

a 2 pairs and \$2.02 over.

b 2 pairs and 99 cents over.

c 8 pairs and 2 cents over.

d 6 pairs and 56 cents over.

#### Increase in Value of Farm Lands.

The Government census figures covering the periods of 1900 and 1905 show that medium farm lands in the United States are valued at \$22,745,420,567, compared with \$16,614,647,491 in 1900, a gain of 32 per cent in five years. The average value per acre in 1905 was \$29.28, compared with \$20.50 in 1900.

#### American Anthracite Sold Cheaper in Canada than in the United States—yet there is no Tariff on Anthracite.

[From the Trenton Gazette.]

They wail over the fact that the steel people, the watchmakers, sewing machine manufacturers, implement builders and so on sell their products cheaper in Europe than they do in their home markets, paying the ocean freight. This fact arises more from competition, from a desire to enlarge their field of trade, and more to the tricks of trade than to the tariff.

For proof of this, proof that can't be set aside, here is the fact that American anthracite coal was sold cheaper in Montreal, Canada, than it was to the American consumer. There is no duty either way on coal. Coal is an unprotected article.

#### Wealth of United Kingdom and United States.

The New York Herald in 1907 published a despatch from London announcing that two well known statisticians, Dr. W. J. Harris and Rev. K. A. Like, had by a careful calculation estimated the wealth of the United Kingdom at \$46,000,000,000, or \$1,035 per capita. The United States Census Office estimated the wealth of the United States in 1905 at \$107,000,000,000, or \$1,310 per capita.

As a party shows itself homogeneous, able to grasp the truth with respect to new issues, able to discard unimportant differences of opinion, sensitive with respect to the successful maintenance of government, and highly charged with the responsibility of its obligation to the people at large, it establishes its claim to the confidence of the public and to its continuance in political power.—Hon. Wm. H. Tamm, at Kansas City, Mo.

## VALUE OF THE FACTORY TO THE FARMER.

**Practical and Statistical Evidence that Manufacturing Establishments Increase the Earnings of Farmers in the Section Where Located and Advance the Permanent Value of Farm Properties.—A Comparison of Conditions in the Manufacturing and Nonmanufacturing Sections, Based Upon Official Figures.**

The table here presented illustrates by figures taken from official reports the value to the farmer of the location of manufacturing industries in his immediate vicinity. That the existence of a great manufacturing industry in the country—an industry which employs 5 million people and pays wages and salaries amounting to  $2\frac{1}{2}$  billions of dollars per annum—is of great value to the farming interests goes without saying, but that the location of the factory in the immediate vicinity of the farm adds to the value of that farm and to the earnings of those who own or occupy it is also true.

Mr. McKinley remarked in the House of Representatives in the discussions of the Fiftieth Congress that "the establishment of a furnace or factory or mill in any neighborhood has the effect at once to enhance the value of all property and all values for miles surrounding it;" and Thomas B. Reed, of Maine, inquired, "Which is it better for the farmer to do—send his surplus a thousand miles to the seacoast, 3,000 miles across the water and sell it to the mechanic who gets less wages, or sell it right here at home to the mechanic who gets more wages?" "Every farmer knows," said Representative Brewer, of Michigan, in the Fiftieth Congress, "that he cannot send to foreigners his potatoes, vegetables, and many other things which he grows upon the farm and that he must rely upon the home market for the same, and this is why the lands in rough and rocky New England and sterile New Jersey are more valuable than are fertile lands in Michigan and Minnesota."

"The extraordinary effect," said President Grant, in a message to Congress, "produced in our country by a resort to diversified occupations has built a market for the products of fertile lands destined for the seaboard and the markets of the world. The American system of locating various and extensive manufactories next to the plow and the pasture and adding connecting railroads and steamboats has produced in our distant interior country a result noticeable by the intelligent portions of all commercial nations."

The table which follows, made up from official figures, is intended to illustrate, in some degree, the effect upon the farm and its occupant of the proximity of manufacturing industries. In preparing this table that part of the United States lying north of the Potomac and Ohio rivers and east of the Mississippi has been taken as the chief manufacturing section of the country, and the value of the farm lands and farm products in that section is contrasted with that in the other part of the United States, which has comparatively little manufacturing and may be termed the agricultural but non-manufacturing section. The portion of the United States designated as the manufacturing section in this table and discussion, then, includes all of the New England and Middle States and Maryland, District of Columbia, Ohio, Indiana, Illinois, Wisconsin, and Michigan. This manufacturing section contains, speaking in round terms, one-half (50.9 per cent) of the population of the United States, while the agricultural, but non-manufacturing section, lying south of the Potomac and Ohio rivers and west of the Mississippi contains the other half (49.1 per cent.) of the population. In the section north of the Potomac and Ohio rivers and east of the Mississippi is produced 77 per cent of the manufactures of the country, and in the other section 23 per cent, as shown by the reports of the census of 1900. The section designated as the manufacturing section has no advantage in soil or climate over large portions of the other section.

More than one-half of the wheat, two-thirds of the corn, all of the cotton, and by far the largest share of the meat and



wool supply of the United States are produced in the agricultural and non-manufacturing section, while more than three-fourths of the manufactures are produced in the manufacturing section, the population in the two sections being practically equal.

This division of the territory of the United States into these two great sections—each containing one-half of the population, the one performing approximately three-quarters of the manufacturing of the United States and the other approximately three-fourths of the agricultural industry of the country—gives an opportunity for a broad, intelligent and absolutely fair study of the effect of the proximity of the factory upon the farmer as relates to the value of his property and its annual production and of his own earning power as an individual. It will be seen by a study of the table that the average value per acre of all farm lands in the manufacturing section in 1900 was, according to the census, \$24 per acre, and in the non-manufacturing section, \$12 per acre; and the average value of lands and buildings in the manufacturing section, \$32 per acre, and in the non-manufacturing section, less than \$15 per acre; while the value per acre of improved land only, including buildings, was, in the manufacturing section, \$58 per acre, and in the other section but \$31. The average value of buildings, which represent in some degree the savings of the farmer, was, in the manufacturing section, \$15 per improved acre, and in the non-manufacturing section \$5.50 per improved acre, while of implements used upon the farms the value per improved acre in the manufacturing section was nearly twice as great as in the non-manufacturing section. Coming to the value of farm products, the average value per improved acre in the manufacturing section was \$141, and in the non-manufacturing section \$101. The average value per head of milch cows in the manufacturing section was \$33, and in the other section \$27. The average value per head of horses in the manufacturing section was \$60, and in the non-manufacturing section \$43, and the average value of farm products per person engaged was, in the manufacturing section, \$619, and in the non-manufacturing section \$394.

Thus in all of these evidences of prosperity, earnings, value of property, etc., the condition of the farmer in the manufacturing section was, according to the figures of the last census, much higher than that in the non-manufacturing section, despite the fact that the non-manufacturing section has soil, climate, lands, and producing power quite as favorable and in many cases more favorable than those of the manufacturing section. In the great and final measure of relative prosperity of the farmer in the two sections, as indicated by the item "Average value of farm products per person engaged," the earnings of the farmer in the manufacturing section are 57 per cent. greater than those in the non-manufacturing section whose soil, climate, etc., and producing capacity certainly equal, if they do not surpass as a whole, those of the manufacturing section as a whole.

Another measure of the relative prosperity of the people of the two sections is found in the deposits in savings banks, in which the per capita in the manufacturing section is \$37, and in the non-manufacturing section less than \$7, while of deposits in all banks the per capita in the manufacturing section is \$153 and in the other section \$37. The assessed value of real and personal property, that measure of accumulations and permanent prosperity is, in the manufacturing section, \$606 per capita and in the non-manufacturing section \$278 per capita, while in other evidences of prosperity, such as salaries paid to teachers in public schools, newspapers circulated, etc., the per capita is also greatly in favor of the manufacturing section.

This table is compiled in every particular from official statistics, chiefly those of the census of 1900, though in a few instances those of the Department of Agriculture, where the latter could be utilized to obtain data for a later year than the census.



Attention is called to the map of the United States on the cover of this volume, which indicates the two sections here discussed and some of the countries presented.

*Relative conditions of prosperity in the manufacturing and non-manufacturing sections of the United States, respectively.\**

[From Census of 1900.]

	Manufacturing section.	Other States.
Per cent of total population of United States.....	50.9	49.1
Per cent of total area of United States.....	14.1	85.9
Gross value of manufactures in 1900.....	\$10,021,718,461	\$2,988,318,043
Per cent of total manufactures produced in section.....	77	23
Salaries and wages paid in manufactures in 1900.....	\$2,194,936,683	\$536,471,656
Number of persons employed in manufactures in 1900.....	4,437,714	1,273,917
Average value per acre of all farm lands.....	\$24.07	\$12.78
Average value per acre of all lands and buildings.....	\$32.50	\$14.85
Average value per acre of land (improved only) and buildings.....	\$58.60	\$31.65
Average value of buildings per improved acre.....	\$15.25	\$5.54
Average value of implements owned per improved acre.....	\$2.51	\$1.47
Average value per head of milch cows.....	\$33.62	\$27.46
Average value per head of horses.....	\$60.87	\$43.32
Average value of all farm products, per improved acre.....	\$141.00	\$101.40
Average value of farm products, per person engaged.....	\$619.25	\$394.59
Deposits in savings banks, total.....	\$2,200,439,838	\$249,108,047
Deposits in savings banks, per capita.....	\$56.90	\$6.67
Deposits in all banks, total.....	\$5,949,984,845	\$1,884,666,395
Deposits in all banks, per capita.....	\$153.80	\$37.10
Bank clearings, total.....	\$76,356,970,422	\$8,225,479,659
Bank clearings, average per capita.....	\$1,973.50	\$220.40
Banking resources, total.....	\$8,613,200,000	\$2,167,500,000
Banking resources, average per capita.....	\$222.65	\$58.10
Real and personal property, assessed valuation.....	\$23,445,809,808	\$10,388,667,238
Real and personal property, per capita.....	\$606.25	\$278.50
Salaries paid teachers in public schools.....	\$85,234,061	\$52,452,785
Newspapers published, number.....	9,151	9,075
Newspapers, aggregate circulation.....	6,168,125,616	2,000,023,133

\*Manufacturing section includes area north of the Potomac and Ohio and east of the Mississippi, viz., the New England and Middle States, and Maryland, District of Columbia, Ohio, Indiana, Illinois, Michigan, and Wisconsin.

## SHEEP AND WOOL INDUSTRY.

### Some Figures on the Losses under Free Trade in Wool.

The losses to the sheep and wool producers of the country through the Wilson-Gorman tariff law, which placed wool on the free list, are well remembered in general terms, but the actual figures regarding the fall in the value of sheep and the reduction in the number of sheep and the wool produced are such as to justify presentation. The figures of the Department of Agriculture show that the number of sheep in the United States on January 1, 1893, two months after the election of President Cleveland, was 47,273,553, and their value \$125,909,254. The same authority, the Department of Agriculture, operating under a Democratic Administration, showed on Jan. 1, 1896, the closing year of President Cleveland's term, 36,818,643 sheep in the United States and their value \$67,020,942. Here is a decrease of more than 10 millions or nearly 25 per cent. in the number of sheep and a decrease of 58 million dollars, or nearly 50 per cent. in their value during President Cleveland's term, under which wool was placed on the free list. By January 1, 1903, the number of sheep had reached 63,964,876, and the value \$168,315,750, an increase of practically 75 per cent. in the number, and 150 per cent. in the value of the sheep in the country. This, however, is not all of the loss to the farmer—a loss of nearly 60 million dollars in the value of sheep alone. There was also a great loss in wool. The quantity of wool produced in 1893

was 303 million pounds and by 1895 had fallen to 209 million pounds and did not again reach the 300 million line until 1901, when it was 302 millions and in 1902, 316 millions. Here was a reduction of practically one-third in the quantity of wool produced in 1895 as compared with 1893. But even this does not measure the loss, since the value per pound of the reduced production was far below that of prior years. Wool price quotations published by the Bureau of Statistics show that grades of wool which sold at 35 cents per pound in 1891 had fallen to 19 cents per pound in 1896 and by 1901 were again above the price of 30 cents per pound. A careful estimate of the value of the wool product of the United States made by an eminent authority on the subject puts the total value of the wool product of the country in 1892 at 79 million dollars, and in 1896 at 32½ millions, a loss of 46½ millions. Adding this loss in wool to the 58 million dollars loss in value of sheep, above quoted, gives a grand total of the loss to the farmer in the value of sheep and wool of over 100 million dollars for a single year for which this calculation is made, or approximately 400 million dollars for the four years of the Cleveland Administration. In 1907 the value of wool was estimated by experts at \$78,000,000, or two and one-half times that of 1896.

#### Effect of Protection and Free Trade in Regard to Sheep.

The official reports of the United States Government upon the subject of sheep raising and sheep values teach a wonderful lesson.

From 1878 to 1882, inclusive, the Morrill tariff (protection) was in force, and the number of sheep throughout the country increased by over 11,000,000 during this period.

The tariff of 1883 was in force from 1883 to 1889, inclusive. The duties imposed by this tariff upon raw wool amounted to no more than a revenue tariff on yarns and some other goods produced from wool; consequently the result of this tariff as a whole was not protective. Under its operation the number of sheep throughout the United States decreased by about 6,000,000.

The McKinley tariff, passed in 1890, was a scientific tariff as applied to wool growing, with the result that the number of sheep throughout the country increased by nearly 4,000,000 before the free-trade election of 1892.

The Wilson tariff, with free trade in wool, practically went into effect when Mr. Cleveland was elected, and immediately the flocks throughout the country began to decrease, and from 1892 to 1893 decreased by about 3,000,000.

The Dingley tariff reimposed the scientific schedules of the McKinley tariff, and with the promise of protection through the election of William McKinley and a Republican Congress the sheep-raising industry immediately began to prosper. From 1893 to 1894, including 1893, the number of sheep increased by 2,000,000 and their value increased 100 million dollars.

The effect of protection and free trade in regard to the number of sheep owned throughout the country is not more impressive than the effect as to value. Under the Morrill tariff the average price per head was \$1.70 and the highest \$2.55. Under the tariff of 1883 the lowest price per head was \$1.91 and the highest price was \$2.07. Under the McKinley tariff the lowest price was \$2.40 and the highest price \$2.66. Under the Wilson tariff the lowest price was \$1.78 and the highest price \$2.10. Under the Dingley tariff the lowest price was \$2.50 per head, and now the value has advanced to \$3.45 per head, the average price in the United States production.

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Wage-earners are anxious consumers.—For-  
ward Senator Chase, in the American Economist.

When we regard the history of the forty years through-  
—and the colored man of this country has been obliged  
to witness the progress which he has made, material and  
moral, it is wonderful.—Hon. Wm. H. Taft, at Kansas City  
Mo.



*Report of the United States Government on sheep raising from 1878 to 1898, inclusive, and report for 1900, based upon the sheep-raising census of the American Protective Tariff League.*

Year.	Number of sheep.	Average price per head.	Total value.
<b>The Morrill tariff:</b>			
1878.....	38,123,800	\$2.09	\$79,023,984
1879.....	40,765,900	2.21	90,230,537
1880.....	43,576,899	2.39	101,070,759
1881.....	45,016,224	2.37	106,591,954
1882.....	49,237,291	2.52	124,365,835
<b>The tariff of 1883:</b>			
1883.....	50,626,626	1.37	119,902,706
1884.....	50,360,243	2.14	107,980,650
1885.....	48,322,331	1.91	92,443,867
1886.....	44,759,314	2.01	89,872,839
1887.....	43,544,755	2.05	89,279,926
1888.....	42,599,079	2.13	90,640,369
1889.....	44,336,072	2.27	100,659,761
<b>The McKinley tariff:</b>			
1890.....	43,431,136	2.49	108,397,447
1891.....	44,938,365	2.58	116,121,290
1892.....	47,273,553	2.66	125,909,264
<b>The Wilson tariff, free trade in wool.</b>			
1893.....	45,048,017	1.98	89,186,110
1894.....	42,294,064	1.58	66,635,787
1895.....	38,298,783	1.70	65,167,735
1896.....	36,818,643	1.82	67,020,942
<b>The Dingley tariff:</b>			
1897.....	37,656,960	2.46	92,721,133
1898.....	39,114,453	2.75	107,637,530
1899.....	41,883,065	2.93	122,665,913
1900.....	59,756,718	2.98	178,072,476
1901.....	62,039,091	2.65	164,446,091
1902.....	63,964,876	2.64	168,315,750
1903.....	51,630,144	2.59	133,530,049
1904.....	45,170,423	2.82	127,331,850
1905.....	50,631,619	3.51	177,053,141
1906.....	53,240,282	3.83	204,210,129
1907.....	53,631,000	3.88	211,736,000

**Wool Production, Imports, Consumption, Manufacture, Price of Wool, and Value of Sheep on Farms, 1875 to 1907.**

This table, showing the home production and imports of wool, the percentage which foreign wool forms of the total consumption, the price of wool in the United States, and the number and value of sheep on farms, covers the period from 1875 to 1907, and enables a comparison of conditions under the protective system with those under free trade, since wool was admitted free of duty under the Wilson Act, which went into effect August 27, 1894, and continued in operation until July 24, 1897. It will be seen that the quantity of wool imported increased enormously during that time, that the price of domestic wool fell to about one-half of that of former years, that the number of sheep on farms was materially reduced and their price per head also greatly reduced, so that the value of sheep on farms fell from 125 million dollars shortly before the enactment of that law to 65 millions in the latter part of its operation.

The course of the Republican party since its organization in 1856, and its real assumption of control in 1881, down to the present day, is remarkable for the foresight and ability of its leaders, for the discipline and solidarity of its members, for its efficiency and deep sense of responsibility for the preservation and successful maintenance of the government, and for the greatest resourcefulness in meeting the various trying and difficult issues, which a history of now a full half-century have presented for solution.—Hon. Wm. H. Taft, at Kansas City, Mo.

Government must be honest, business dealing must be square with the principles of right and justice, the things that are pure and clean and of good repute must be exalted, and underlying the whole fabric of our institutions we must safeguard our schools and keep pure and undefiled, as the very foundation of our liberties, the American home.—Postmaster-General Cortelyou on Lincoln's influence on American Life.

*Wool production, imports, consumption, and manufacture in the United States; also price of wool and value of sheep on farms, 1875 to 1907.*

[From the Statistical Abstract of the United States, 1907.]

Year ending June 30—	Production.	Imports.	Per cent of con- sumption, foreign.	Value of imports of wool, and manufac- tures of.		Price of fine washed clothing, Ohio fleece, per pound.	Sheep on farms in the United States.	
				Wool, raw.	Manu- factures of wool.		Num- ber.	Value.
	Pounds.	Pounds.		Dollars.	Dollars.	Cents.		Dollars.
1875	181,000,000	51,901,790	22.1	11,071,252	44,600,704	52	33,783,600	94,320,652
1876	192,000,000	44,642,833	18.3	8,247,617	33,201,800	38	37,835,300	93,636,318
1877	200,000,000	42,171,192	16.3	7,153,944	25,701,922	50	35,804,200	80,892,683
1878	208,250,000	48,149,079	16.9	8,363,015	25,230,151	36	35,740,500	80,603,062
1879	211,000,000	39,005,153	14.2	5,031,545	21,355,821	37	38,123,800	79,023,984
1880	232,500,000	128,131,747	31.9	23,727,650	33,911,033	46	40,765,900	90,230,537
1881	240,000,000	55,964,236	17.3	9,703,963	31,150,420	42	43,569,899	101,070,759
1882	272,000,000	67,861,744	19.0	11,093,053	37,361,520	42	45,016,221	103,595,954
1883	290,000,000	70,575,478	18.7	10,949,331	44,274,952	39	49,237,291	124,306,335
1884	300,000,000	78,350,651	20.6	12,384,709	41,151,533	35	50,626,626	119,902,706
1885	308,000,000	70,593,170	18.0	8,879,923	35,776,559	32	50,360,243	107,963,650
1886	302,000,000	129,081,958	28.9	16,746,081	41,421,319	33	48,822,331	92,443,867
1887	285,000,000	114,038,030	27.4	16,424,479	44,902,718	31	44,759,314	83,872,839
1888	289,000,000	113,558,753	28.9	15,887,217	47,719,393	29	44,514,755	89,279,926
1889	275,000,000	126,487,729	31.8	17,974,515	52,564,942	35	42,599,073	90,640,360
1890	263,000,000	105,431,285	27.0	15,264,083	56,532,432	33	44,336,072	100,654,761
1891	255,000,000	129,303,618	30.8	18,231,372	41,030,080	31	43,421,139	98,397,440
1892	291,000,000	148,670,652	33.1	19,688,108	35,595,879	28	44,938,300	95,121,240
1893	303,153,000	172,433,838	35.7	21,064,180	38,018,515	24	47,273,533	125,903,260
1894	308,037,381	55,152,585	14.2	6,107,438	19,439,372	20	45,048,017	89,186,110
1895	401,748,000	206,033,906	10.0	25,556,421	38,539,890	18	42,291,094	66,665,767
1896	372,474,708	230,911,473	15.9	32,451,212	53,491,400	17	38,298,783	65,167,735
1897	391,153,251	350,852,026	57.8	53,243,191	49,102,942	21½	39,818,613	67,020,912
1898	366,720,681	132,735,202	32.8	16,783,692	14,823,771	28	37,656,960	92,721,133
1899	72,191,330	76,736,209	19.2	8,322,897	13,832,621	29	39,114,453	107,697,530
1900	38,636,621	155,928,455	34.4	20,200,936	16,161,416	28½	41,883,065	122,665,913
1901	2,502,328	103,583,505	21.9	12,529,881	14,585,336	25	50,758,718	178,072,476
1902	16,371,032	106,576,963	34.1	17,711,788	17,381,463	26	62,031,091	161,446,094
1903	57,150,000	177,137,796	37.8	22,152,961	19,546,385	31½	63,961,876	168,315,750
1904	11,783,032	173,712,831	37.0	21,813,591	17,733,788	32½	51,630,114	133,530,099
1905	95,788,438	135,746,455	45.5	46,225,758	17,893,663	33	45,170,423	127,831,840
1906	208,915,130	201,688,668	39.3	39,038,372	23,080,683	33	50,631,619	179,056,114
1907	238,294,750	203,817,515	40.0	41,534,028	22,321,460	34	53,210,282	201,210,129

§ Democratic and low tariff years.

#### BEET SUGAR.

The fact that about a hundred million dollars' worth of sugar is brought from foreign countries each year to meet the demands of the people of the United States, coupled with the belief that the production of this great sugar supply by our farmers is possible, renders proper a careful consideration of the effect of the recent legislation by which sugar from Porto Rico and the Hawaiian Islands is admitted free of duty, that from the Philippines at 25 per cent. below, and that from Cuba at 20 per cent. below the regular tariff rates. Will the absolute removal of all duty on sugar from Porto Rico and the Hawaiian Islands and the reduction of 25 per cent. on sugar from the Philippines and 20 per cent. on that from Cuba destroy the beet-sugar industry of the United States or work to its disadvantage? While it is a fact that the annexation of Hawaii and its organization as a Territory and customs district of the United States removed permanently all tariff on merchandise from those islands or passing into them from the United States, that fact made no change in the rates of duty on sugar from the islands, its only effect being to render absolutely permanent the conditions which had existed ever since the treaty of 1876, by which sugar from the Hawaiian Islands was admitted free on agreements that products of the United States should be admitted into the Hawaiian Islands free of duty, and that condition continued down to the annexation of Hawaii, when it was made permanent, as above indicated. In the case of Porto Rico all of the duty except 15 per cent. was removed by the act establishing the government of Porto Rico, and the remainder of that duty disappeared as soon as the Porto Rican



government announced its ability to provide its own revenues. The reduction of 25 per cent. in the rates of duty on merchandise from the Philippine Islands occurred on March 8, 1902.

#### Effect on the Home Producer.

All of these removals of duty on sugar from our own possessions have been in force a sufficient length of time to give opportunity to test their effect upon domestic sugar production. The quantity of sugar imported from Porto Rico increased from 86,607,317 pounds in the fiscal year 1897 to 408,149,992 pounds in the fiscal year 1907. The sugar imports from the Hawaiian Islands have increased from 431,196,980 pounds in 1897 to 822,014,811 pounds in the fiscal year 1907; and those from the Philippine Islands decreased from 72,463,577 pounds in the fiscal year 1897 to 25,164,756 pounds in the fiscal year 1907—the reduction in imports of sugar being, of course, due to the destruction of plantations and machinery during the war. Thus the quantity of sugar imported from Porto Rico, Hawaii, and the Philippine Islands in 1907 was practically double that of 1897. The entire quantity of sugar brought into the United States in the fiscal year 1907 amounted to 5,224,259,732 pounds. Of this total importation, 1,230,164,803 pounds came from Porto Rico and the Hawaiian Islands, and was absolutely free of duty, and this formed 23.5 per cent., or practically one-fourth of the total; while that from the Philippine Islands, which amounted to 25,164,756 pounds, came in with a reduction of 25 per cent. of the regular duty and formed about  $\frac{1}{2}$  of 1 per cent. of the total. Thus practically one-fourth of the sugar coming into the United States in 1907 was admitted absolutely free of duty from the Hawaiian Islands and Porto Rico. In 1897 the amount which came in free of duty from the Hawaiian Islands was 431,196,980 pounds, and this formed 8.9 per cent. of the total sugar importation of that year.

#### Increase of Beet Sugar Production since the Annexation of Hawaii and Porto Rico.

Here, then, is a fair basis upon which to determine the effect of the importation of sugar from our own possessions free of duty. In 1897 practically 9 per cent. of the sugar imported came in free of duty. In 1907 practically 25 per cent. came in free of duty. If such free importation were likely to affect disadvantageously beet sugar production at home, an increase from 9 per cent. to 25 per cent. in the importations of free sugar would doubtless have made itself apparent by a reduction in the sugar production of the United States. But let us see what the beet sugar production of the country was in the two years in question—1897, when 9 per cent. of the sugar was imported free, and 1907, when 25 per cent. was imported free. The reports of the Department of Agriculture and Bureau of Statistics show that the beet sugar produced in the United States amounted in 1897 to 88,892,160 pounds. By 1899 it had increased to 141,230,160 pounds; by 1901 to 279,682,160 pounds; and in 1906 was 967,224,000 pounds. Here, then, is an increase of 988 per cent. in the beet sugar production of the United States during the very period in which free importation of sugar from Porto Rico was established and that from Hawaii made absolutely permanent by annexation and its establishment as a customs district of the United States, in which period the quantity of sugar imported free of duty increased 185 per cent. If an increase of 185 per cent. in the quantity of sugar imported free of duty, coupled with absolute assurance that the sugar fields of Porto Rico and Hawaii are to have permanently free access to the markets of the United States, was accompanied by an increase of 988 per cent. in the production of beet sugar at home, there seems little ground for any anxiety as to the effect of free sugar importation from our own territory in depressing beet sugar production at home.

Tables published on another page show the importation of sugar into the United States, the home production of various kinds of sugar, and the total home consumption for a term of



years; also the quantity brought into the United States from Porto Rico and Hawaii respectively, from 1895 to 1903; also the total product of beet and cane sugar, respectively, in the world during a long term of years.

*Production of cane and beet sugar in the principal producing countries of the world for the sugar year 1907-8.\**

Countries.	Cane sugar production. Gross tons.	Countries.	Beet sugar production. Gross tons
Java	1,155,477	Germany	2,132,000
Cuba	1,000,000	Austria	1,460,000
Hawaiian Islands	420,000	France	725,000
Brazil	185,000	Russia	4,410,000
Mauritius	145,000	Belgium	235,000
Australia	214,000	Holland	175,000
Louisiana	335,000	All other	435,000
All other	3,498,900		
Total	6,951,877	Total	6,893,000

\* Figures for cane sugar production taken from Willett and Gray's Sugar Trade Journal, March 19, 1908; figures for beet sugar production taken from F. O. Licht's estimate in the same journal, February 6, 1908.

*World's supply of beet and cane sugar, from 1840 to 1907.*

[Compiled from London Statist, Census Bulletin, and Willett & Gray.]

Years.	Beet sugar (tons).	(a) Cane sugar (tons).	Total sugar (tons).	Per cent supplied by beet.
1840	50,000	1,100,000	1,150,000	4.4
1850	200,000	1,200,000	1,400,000	14.3
1860	380,000	1,510,000	1,890,000	20.4
1870	831,000	1,585,000	2,416,000	34.4
1871-72	859,479	1,701,184	2,560,663	32.4
1872-73	1,124,313	1,840,366	2,964,679	37.9
1873-74	1,145,819	1,711,769	2,857,588	40.1
1874-75	1,165,336	1,756,081	2,921,417	39.9
1875-76	1,350,921	1,692,888	3,043,809	44.4
1876-77	1,088,739	1,682,531	2,771,270	39.2
1877-78	808,373	1,715,900	2,524,273	32.0
1878-79	549,275	1,905,990	2,455,265	22.4
1879-80	480,952	1,908,316	2,389,268	20.1
1880-81	746,501	1,902,346	2,648,847	28.2
1881-82	831,581	2,016,084	2,847,665	29.2
1882-83	2,113,070	2,104,072	4,217,142	50.1
1883-84	2,323,548	2,517,531	4,841,079	48.2
1884-85	2,506,008	2,592,617	5,098,625	49.2
1885-86	185,490	2,702,850	4,888,340	3.8
1886-87	2,707,513	2,805,735	5,513,248	49.1
1888-89	2,743,679	2,480,700	5,224,379	52.5
1887-88	2,442,681	2,642,000	5,084,681	48.0
1889-90	3,573,409	2,475,800	6,049,209	59.1
1890-91	3,655,700	2,688,900	6,344,600	57.6
1891-92	3,451,936	3,231,561	6,683,497	51.7
1892-93	3,389,423	3,015,196	6,404,619	52.9
1893-94	3,818,241	3,531,621	7,349,862	52.1
1894-95	4,736,883	3,510,670	8,247,553	57.4
1895-96	4,246,924	2,809,477	7,056,401	60.2
1896-97	4,876,422	2,811,857	7,688,279	63.4
1897-98	4,795,813	2,831,255	7,627,068	63.0
1898-99	4,035,837	2,905,198	6,941,035	58.1
1899-1900	5,503,815	2,056,294	7,560,109	72.8
1900-1901	5,972,274	2,610,059	8,582,333	69.6
1901-2	6,816,614	2,078,944	8,895,558	76.6
1902-3	5,650,898	2,144,453	7,795,351	72.5
1903-4	6,082,468	2,214,206	8,296,674	73.3
1904	4,918,480	2,504,782	7,423,262	66.3
1905	7,216,090	5,016,870	12,232,960	58.9
1906	7,143,518	5,148,950	12,292,468	58.1

a Exclusive of production of cane sugar in British India, averaging, for recent years, about 2,000,000 tons a year, and which is consumed locally.

**Sugar Imported, Produced and Consumed in the United States, and the Growth of the Sugar Production.**

This table shows the quantity of sugar imported from foreign countries, the quantity brought from our own islands, the quantity of cane and of beet sugar, respectively, produced in the United States; the quantity exported and total quantity con-

sumed, the consumption per capita, and the share of the consumption supplied by our own factories, including in this term only those of continental United States and not of Hawaii or the Philippine Islands. The separate statement of the quantity brought from Porto Rico and Hawaii begins with the year 1901, prior to which time the sugar brought from those islands was included in the figures of sugar imported from foreign countries.

An interesting feature of this table is the rapid growth in beet sugar production shown by the column which states the number of pounds of beet sugar produced in the United States. The production of beet sugar in the United States has grown from 163 million pounds in 1900 to 967 millions in 1907, despite the fear entertained by some that the free admission of sugar from Hawaii and Porto Rico coupled with the reduction in rates of duty in that imported from Cuba and the Philippine Islands might seriously interfere with, if not actually destroy, that industry in the United States. It will be noted that the production of beet sugar, which in 1901 was but one-fourth as much as that of cane, was in 1907 nearly twice as great as that of cane. The number of beet sugar factories has grown from 15 in 1900 to 63 in 1907. The share of our sugar consumption supplied by production within continental United States which in 1900 was but 11.1 per cent, was in 1907 22.3 per cent, while about 20 per cent of the consumption was supplied by sugar from Porto Rico and Hawaii. The production of sugar in Porto Rico has grown with great rapidity since the enactment of the law admitting the products of that island free of duty to the markets of the United States. The shipments of sugar from Porto Rico to the United States in the fiscal year 1901, the first year following that Act, amounted to but 137 million pounds; and in 1907 408 million pounds, and in the fiscal year 1908 will aggregate approximately 430 million pounds, or practically three times as much in 1907 as in 1901. The quantity shipped from Hawaii in 1900 was 691 million pounds, and in 1907, 822 millions, while for the fiscal year 1908 the total will approximate one billion pounds. Naturally the percentage of gain has been much larger in the case of Porto Rico than in that of Hawaii, since sugar from Hawaii was admitted free under the reciprocity agreement for many years prior to annexation, while that from Porto Rico paid, prior to annexation, the same rate of duty as that from other foreign countries. The actual growth in quantity imported from Porto Rico and Hawaii has been in each case about 300 million pounds, comparing the figures of 1901 with the prospective figures of 1908.

Speaking in very general terms, it may be said that the quantity of sugar annually consumed in the United States is between 6 and 7 billion pounds, of which about one-fifth is produced in continental United States, another fifth in Porto Rico, Hawaii, and the Philippines and the remaining three-fifths brought from foreign countries; and of the 3,872 million pounds brought from foreign countries in the calendar year 1907, 3,032 million pounds were from Cuba, 598 millions from the Dutch East Indies, 23 millions from Germany, and a little less than 3 million pounds from Austria-Hungary, the sugar from European countries being presumably beet. The quantity brought from the Philippine Islands in 1907 was 25 million pounds or a little more than one day's supply, the average daily consumption in the United States being now about 20 million pounds per day.

With all this rapid growth in home production and importation duty-free from Porto Rico and Hawaii, the quantity required from foreign countries has not been diminished, but on the contrary steadily increases. The imports of sugar from foreign countries in the fiscal year 1907 were larger than in any year of our foreign commerce except 1897, when excessively large quantities were rushed in in anticipation of an approaching change in tariff.

With reference to Philippine sugar, it may be said that the importations from those islands have averaged 40 million pounds per annum during the last ten years, while the consumption of the United States now averages about 20 million pounds a day, so that the Philippines have since annexation furnished on an



### RELATIVE PRICES OF ARTICLES OF FARM PRODUCTION AND FARM CONSUMPTION.

The accompanying tables showing prices of articles of farm production and farm consumption, respectively, are presented with the purpose of giving opportunity to compare the relative advance in the prices received by the farmer for his products with those which he must pay for the articles which he consumes. That there has been an advance the world over in prices of practically all articles is quite apparent not only from our own experience in the United States, but from official statements made by our consuls and others regarding prices in all parts of the world and in all the leading articles produced in various parts of the world. Elsewhere in this book will be found a large number of statements from our consuls in various parts of the world indicating a rapid advance in prices in practically all parts of the consuming world and in practically all of the articles entering consumption. These articles in which prices have advanced abroad include many of those necessarily imported into the United States for manufacturing purposes, such as fibers, silk, wool, hides and skins, india rubber, tin, and many other articles; also requirements for food, including sugar, coffee, tea, etc., practically all of which must be imported because of the fact that they are not produced in the United States, or at least in sufficient quantities for our own population. In addition to these advances in prices of the raw materials, the higher prices of labor, fuel, and transportation have resulted in higher prices of manufactures in the United States and other parts of world. The following tables are given with the purpose of supplying information as to the *relative* advance in the prices of articles of farm production and of farm consumption, and will show in most cases a more rapid advance in the natural products than in articles in the manufactured state.

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That higher wage level aimed at by the fathers of the Republic, the policy of protection, which they inaugurated, secured, and still maintain.—Hon. George H. Ely, of Ohio, in the *American Economist*.

Vigorous action and measures to stamp out existing abuses and effect reform are necessary to vindicate society as at present constituted. Otherwise, we must yield to those who seek to introduce a new order of things on a socialistic basis.—Hon. Wm. H. Taft, at Kansas City, Mo.

The panic was doubtless chiefly due to the exhaustion of the free capital of the world by reason of the over-investment in enterprises that have not been as productive as expected. The enormous industrial expansion has at last tied up nearly all the world's capital which was available and new investments had to halt. This result was world-wide.—Hon. Wm. H. Taft, at Kansas City, Mo.

I would rather have my boys taught to think the finest thing in life is the honesty and frankness, the truth and loyalty, the honor and the devotion to his country of Theodore Roosevelt than to have them in possession of all the wealth in this great metropolis.—Hon. Elihu Root, at New York, Feb. 3, 1904.

Experience of more than forty years in business has taught me that under a low or revenue tariff business depression and financial distress has been the rule, while under protection good business and general prosperity has been the result.—Hon. N. D. Sperry, M. C., of New Haven, Conn., in the *American Economist*.

In the Post-Office investigation the source of corruption, the fountain head from which flowed the whole miserable business, was found not in a Republican, but in a Democratic Administration, and it was a Republican Administration which applied the lancet and let free the poison.—Hon. Albert J. Beveridge, in the Senate, April 1, 1904.

In the ballot-box our liberties are compounded. See to it that it gives true expression to the public will. Preserve it from pollution; protect and defend it as you would the Ark of the Covenant, for it has been purchased by the priceless blood of countless heroes upon the battlefields of the Republic.—Hon. C. W. Fairbanks, at Baldwin, Kas., June 7, 1901.

Prices of articles of farm production on farms in United States, 1880 to 1907. (Annual average.)

Year.	Wheat, per bushel.		Corn, per bushel.		Oats, per bushel.		Barley, per bushel.		Rye, per bushel.		Horses, per head.		Mules, per head.		Milch cows, per head.		Oxen, per head.		Sheep, per head.		Swine, per head.		Potatoes, per bushel.		Hay, per ton.		Butter, per pound.		Cheese, per pound.		Eggs, per dozen.		Cotton, per pound.		Tobacco, per pound.		Wool, per pound.			Milk, per quart.												
	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.										
1880	76.1	32.8	30.0	66.6	75.6	51.75	81.26	23.27	16.10	22.21	41.23	48.9	11.05	17.1	9.3	10.5	11.31	9.9	7.7	46	48	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2					
1881	77.7	32.8	28.5	56.6	51.9	73.70	82.38	27.40	23.25	2.14	5.02	44.7	8.71	10.8	9.3	10.5	11.31	9.9	7.7	46	48	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2	5.2			
1882	68.7	36.6	29.8	53.6	56.8	71.27	79.60	27.40	21.17	1.61	4.26	46.7	8.46	13.6	8.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5			
1883	68.7	41.4	30.4	51.9	56.8	72.15	78.91	26.06	19.79	2.09	4.46	68.2	9.37	15.8	9.3	15.8	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5		
1884	68.7	31.1	27.8	59.0	46.8	71.82	78.78	24.63	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5		
1885	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1886	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1887	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1888	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1889	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1890	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1891	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1892	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	
1893	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1894	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1895	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1896	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1897	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1898	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1899	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1900	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1901	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1902	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1903	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1904	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2	8.70	13.8	9.3	13.9	10.45	9.6	8.4	33	35	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.5
1905	61.8	28.3	22.9	41.5	42.3	71.89	78.49	23.94	17.79	2.09	4.96	40.2																																								



## PRICES OF FARM PRODUCTION.

Wholesale prices in New York of articles of farm consumption, 1880 to 1907. (Annual average.)

[Official figures.]

Years.	Sugar, per pound.	Sheetings, per yard.	Drilling, per yard.	Shirtings, per yard.	(Allco, per yard.	Gingham, per yard.	Ticking, per yard.	Bags, each.	(Arti- per yard.	Coffee, per pound.	Coal, per ton.	Nails, per 100 pounds.	Shingles, p. r thousand.	Molasses, per gallon.	Starch, per pound.	Illuminating oil, per gal.	Salt, fine, per barrel.	Men's programs.	
1880	9.83	8.51	8.51	12.74	7.63	8.81	15.88	19.81	\$37.67	15.13	\$4.53	\$3.68	\$10.03	\$2.375	47.34	7.00	8.6	\$0.75	\$1.80
1881	6.53	6.75	6.88	10.37	6.75	6.75	11.38	15.94	53.55	8.97	4.10	2.33	8.38	2.75	37.50	6.75	8.7	.70	1.20
1882	6.23	6.75	6.85	10.61	6.00	6.63	11.75	14.44	60.76	9.53	4.00	2.27	7.87	8.00	37.50	6.08	8.7	.65	1.777
1883	6.02	7.15	6.98	10.85	5.19	6.88	13.25	14.69	57.40	16.97	4.05	2.30	7.87	8.20	37.50	5.85	7.8	.66	1.115
1884	7.13	7.25	6.75	10.94	6.25	6.88	12.75	15.44	53.06	15.81	4.21	2.03	7.87	8.15	40.00	5.85	7.9	.66	1.125
1885	7.89	7.00	6.75	10.90	6.25	6.81	12.13	15.75	51.77	17.63	4.01	2.00	7.87	8.05	38.25	5.85	7.9	.66	1.075
1886	6.27	7.00	6.75	10.90	6.50	6.25	12.00	15.94	51.60	16.71	3.85	1.86	7.87	8.25	37.88	6.00	7.0	.65	1.05
1887	4.65	6.83	6.41	10.61	5.75	6.50	11.75	15.63	55.20	16.71	3.85	1.86	7.87	8.15	31.88	6.00	7.6	.65	1.037
1888	4.85	6.50	5.60	10.25	6.53	6.50	11.60	15.50	50.40	14.80	3.98	1.83	7.87	8.00	33.46	6.00	7.0	.70	1.013
1889	4.81	6.90	5.72	9.75	5.96	6.31	11.81	14.94	52.60	17.23	3.90	1.44	7.87	8.00	30.92	5.67	4.2	.72	0.969
1890	4.12	5.11	5.07	9.50	5.96	4.85	10.81	12.75	46.80	16.54	3.50	1.47	7.45	2.65	30.83	5.54	4.9	.62	0.981
1891	4.53	5.45	5.48	9.85	5.25	4.66	10.09	11.50	42.00	15.92	3.50	1.32	7.83	2.50	28.46	5.13	6.8	.66	0.944
1892	4.70	4.78	4.75	9.25	5.00	4.38	9.75	13.00	43.20	7.93	3.50	1.31	7.93	2.65	26.17	5.00	6.3	.66	0.96
1893	4.80	4.78	4.70	8.00	4.40	4.31	8.94	13.38	46.80	6.33	3.50	1.47	7.93	2.63	35.25	5.00	5.6	.64	0.938
1894	4.82	5.28	5.13	8.50	4.83	4.77	9.23	14.46	45.60	6.01	3.75	2.21	8.61	2.85	35.25	5.00	7.8	1.00	0.938
1895	5.05	5.95	5.13	9.95	5.15	4.77	10.81	15.75	49.20	8.22	3.47	2.46	9.12	2.85	37.83	4.70	6.6	.86	0.944
1896	5.32	6.05	5.51	10.75	5.25	4.90	10.13	14.13	48.00	6.16	3.80	2.29	9.12	2.85	37.83	4.40	6.3	.66	0.944
1897	4.40	5.48	5.00	10.50	5.00	5.23	10.50	14.53	48.40	5.86	3.80	2.36	9.36	2.671	36.38	4.70	6.3	.86	0.944
1898	4.40	6.25	5.04	10.75	5.04	5.00	11.01	14.33	51.36	5.86	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.64	0.981
1899	4.61	6.25	5.27	10.75	5.04	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1900	4.77	6.02	5.27	10.75	5.27	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1901	4.77	6.02	5.27	10.75	5.27	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1902	4.77	6.02	5.27	10.75	5.27	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1903	4.77	6.02	5.27	10.75	5.27	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1904	4.77	6.02	5.27	10.75	5.27	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1905	4.77	6.02	5.27	10.75	5.27	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1906	4.77	6.02	5.27	10.75	5.27	5.48	12.13	17.96	51.81	7.82	3.80	2.36	9.36	2.671	36.38	4.40	6.3	.61	0.930
1907	4.32	6.02	7.75	8.17	5.70	5.65	12.63	18.06	55.20	8.11	b3.15	c1.96	7.62	2.725	31.00	5.77	.71	1.25	1.25
1908	4.32	6.02	8.02	8.17	5.70	5.65	12.63	18.06	55.20	8.11	b3.13	c1.96	7.62	2.725	31.00	5.77	.71	1.25	1.25
1909	4.61	6.85	8.25	11.17	6.02	6.58	13.73	19.38	57.60	6.58	b3.21	c2.12	7.84	4.23	40.88	6.00	.73	1.27	1.27

a Brown sheetings.

b Bituminous, f. o. b New York harbor.

c Wire nails, 8 penny, fence, at Pittsburg.

d Refined for export.



**Prices of Principal Agriculture Products on the Farm December 1, 1892, to December 1, 1907.**

[From report of Department of Agriculture.]

*Farm prices of wheat per bushel.*

State or Territory.	1892	1893	1894	1895	1896	1897	1900	1904	1907
Maine	\$1.02	\$1.02	\$0.79	\$0.82	\$0.84	\$1.06	\$0.90	\$1.04	\$1.01
New Hampshire	1.00	.85	.80	.76	1.00	1.10	.92		
Vermont	.96	.85	.67	.69	.93	1.04	.78	1.13	1.00
Connecticut	.87			.68		1.00	.82		
New York	.85	.76	.62	.68	.88	.90	.77	1.09	.99
New Jersey	.83	.70	.61	.71	.89	.93	.74	1.10	.98
Pennsylvania	.81	.65	.53	.65	.83	.91	.72	1.03	.96
Delaware	.75	.60	.55	.64	.87	.91	.70	1.03	.97
Maryland	.74	.76	.54	.61	.88	.93	.71	1.06	.96
Virginia	.70	.63	.53	.65	.80	.92	.72	1.09	.96
West Virginia	.75	.72	.60	.69	.78	.89	.77	1.09	1.00
North Carolina	.89	.72	.65	.72	.83	.91	.82	1.19	1.07
South Carolina	.93	.98	.87	.88	.89	1.18	1.01	1.26	1.20
Georgia	.90	.90	.76	.82	.89	1.03	.95	1.26	1.15
Ohio	.68	.57	.49	.69	.78	.88	.71	1.10	.92
Indiana	.61	.53	.46	.57	.80	.89	.70	1.06	.88
Illinois	.63	.51	.45	.53	.74	.89	.61	1.01	.87
Michigan	.67	.57	.52	.60	.84	.87	.69	1.08	.91
Wisconsin	.62	.54	.51	.51	.70	.84	.64	.98	.92
Minnesota	.61	.51	.49	.44	.68	.77	.63	.87	.92
Iowa	.60	.49	.50	.46	.62	.75	.59	.90	.82
Missouri	.58	.48	.43	.51	.70	.85	.63	.96	.84
North Dakota	.52	.43	.43	.38	.64	.74	.58	.81	.87
South Dakota	.51	.44	.46	.38	.62	.69	.58	.79	.89
Nebraska	.50	.40	.49	.40	.53	.69	.53	.87	.79
Kansas	.52	.42	.44	.45	.63	.74	.55	.89	.82
Kentucky	.67	.57	.50	.61	.76	.84	.69	1.02	.92
Tennessee	.68	.57	.51	.62	.74	.95	.79	1.11	.95
Alabama	.93	.88	.78	.80	.85	1.01	.84	1.15	1.05
Mississippi	.90	.85	.75	.61	.82	.99	.84	1.01	.88
Texas	.75	.58	.54	.66	.75	.89	.64	1.10	.99
Indian Territory									.98
Oklahoma				.48	.68	.76	.53	.93	.83
Arkansas	.80	.65	.55	.59	.71	.84	.65	1.01	.95
Montana	.67	.60	.54	.73	.66	.68	.61	.89	.81
Wyoming	.66	.65	.63	.64	.62	.70	.76	.90	.77
Colorado	.58	.52	.65	.56	.61	.70	.59	.91	.78
New Mexico	.80	.75	.88	.73	.66	.75	.68	1.06	.93
Arizona	.78	.65	1.00	.65	.80	.74	.79	1.13	1.05
Utah	.62	.60	.53	.44	.68	.68	.55	.86	.74
Nevada	.75	.73	.75	.49	.69	.90	.70	.92	1.04
Idaho	.60	.60	.46	.47	.65	.70	.46	.80	.67
Washington	.58	.48	.39	.41	.74	.68	.51	.80	.75
Oregon	.64	.55	.43	.47	.72	.72	.55	.81	.78
California	.68	.53	.57	.60	.83	.83	.58	.88	.93
General average	.624	.535	.491	.509	.726	.808	.619	.924	.882

*Farm values, corn per bushel.*

State or Territory.	1892	1895	1896	1897	1900	1903	1904	1907
	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.
Maine	67	54	47	47	55	66	81	75
New Hampshire	65	51	45	45	53	63	72	75
Vermont	64	48	38	43	50	62	73	75
Massachusetts	62	52	46	47	54	66	72	75
Rhode Island	63	56	49	54	67	81	84	80
Connecticut	62	51	42	49	55	67	73	75
New York	60	45	38	40	47	60	64	71
New Jersey	58	42	36	38	45	57	58	63
Pennsylvania	57	39	33	34	45	57	59	64
Delaware	44	34	25	30	38	49	49	52
Maryland	45	37	32	30	41	51	50	54
Virginia	53	37	32	38	49	53	59	64
West Virginia	56	40	31	40	50	64	64	72
North Carolina	51	38	37	43	57	61	62	74
South Carolina	57	46	46	49	61	69	70	78
Georgia	56	41	43	48	57	69	71	76
Florida	60	47	53	55	60	73	75	80
Ohio	42	27	21	25	34	47	46	52
Indiana	40	23	19	21	32	36	41	45
Illinois	37	22	18	21	32	36	39	44
Michigan	46	32	24	27	37	46	52	57
Wisconsin	38	30	22	25	33	43	45	55
Minnesota	37	20	19	24	29	38	36	50
Iowa	32	18	14	17	27	38	38	47
Missouri	36	20	20	24	32	34	44	50
North Dakota	40	24	25	32	42	42	40	50

*Farm values, corn per bushel—Continued.*

State or Territory.	1892	1895	1896	1897	1900	1903	1904	1907
	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.
South Dakota	33	23	18	21	29	35	36	46
Nebraska	28	18	13	17	31	28	33	41
Kansas	31	19	18	22	32	36	41	44
Kentucky	40	27	25	35	40	56	49	53
Tennessee	43	27	28	36	49	49	50	57
Alabama	52	37	45	46	58	57	60	75
Mississippi	51	37	44	45	58	54	56	75
Louisiana	50	40	45	45	50	58	57	70
Texas	45	31	41	41	47	48	52	60
Indian Territory						39	40	
Oklahoma					26	38	39	44
Arkansas	47	32	37	40	43	51	53	68
Montana	70	75	60	65	59	62	68	68
Wyoming	61	57	78	50	60	58	57	70
Colorado	40	41	36	38	48	54	54	65
New Mexico	72	56	55	58	64	75	78	72
Arizona						90	91	90
Utah	58	49	51	55	63	70	72	72
Idaho						57	70	70
Washington	60	40	57	55	59	55	66	70
Oregon	56	55	56	53	57	67	61	74
California	55	53	53	56	61	74	78	85
General average	39.4	25.3	21.5	26.3	35.7	42.5	44.1	51.6

*Farm prices of oats per bushel.*

State or Territory.	1892	1893	1895	1896	1897	1900	1904	1907
	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.	Cts.
Maine	45	45	34	31	32	38	45	60
New Hampshire	44	43	35	35	38	38	47	61
Vermont	43	42	33	31	32	36	44	63
Massachusetts	48	42	34	35	33	38	45	60
Rhode Island	49	43	39	31	34	38	47	66
Connecticut	45	40	31	31	34	35	44	60
New York	39	30	28	26	27	32	38	57
New Jersey	41	35	29	28	30	31	40	56
Pennsylvania	40	35	27	24	27	30	38	54
Delaware	38	38	29	21	23	30	41	50
Maryland	38	35	27	23	26	31	36	49
Virginia	39	35	30	26	29	37	43	50
West Virginia	41	38	32	28	30	34	44	54
North Carolina	45	44	38	35	37	45	52	60
South Carolina	52	53	49	48	45	48	60	72
Georgia	52	52	46	41	42	49	55	72
Florida	55	55	65	53	53	50	60	75
Ohio	35	30	22	17	20	26	32	45
Indiana	34	28	20	16	19	23	30	42
Illinois	31	27	17	15	18	23	30	41
Michigan	35	32	23	19	23	26	33	48
Wisconsin	29	27	18	17	19	23	28	47
Minnesota	28	26	14	15	19	24	28	41
Iowa	26	23	14	12	16	20	25	38
Missouri	30	25	18	17	19	23	34	41
North Dakota	28	28	16	18	26	32	24	40
South Dakota	23	25	17	13	18	24	25	39
Nebraska	23	22	14	11	15	24	25	37
Kansas	26	27	17	16	18	23	33	42
Kentucky	37	34	26	24	27	31	40	49
Tennessee	38	31	27	26	28	35	37	50
Alabama	51	51	42	41	43	44	54	67
Mississippi	50	47	39	44	44	46	52	65
Louisiana	50	44	36	34	38	40	45	55
Texas	38	42	26	34	27	30	44	60
Indian Territory							38	
Oklahoma							36	48
Arkansas	40	39	32	31	33	35	43	51
Montana	40	37	44	31	33	42	46	46
Wyoming	38	40	39	53	35	47	39	53
Colorado	34	37	28	30	32	43	46	50
New Mexico	56	51	45	40	41	48	57	55
Arizona							74	60
Utah	40	33	30	39	33	44	47	48
Nevada							63	72
Idaho	37	41	29	30	32	40	50	42
Washington	35	35	28	40	35	40	43	45
Oregon	37	37	27	33	35	41	47	45
California	40	38	39	44	49	46	57	71
General average	31.7	29.4	19.9	18.7	21.2	25.8	31.3	44.3

## Grain, Chicago to New York, and average rates, in cents, per bushel.

[From Bulletin No. 15, Revised, Miscellaneous Series, of Division of Statistics.]

Year.	Wheat.				Corn.	
	Via lake and rail.		Via all rail.		Via lake and rail.	Via all rail.
	As reported by New York Produce Exchange.	As reported by Chicago Board of Trade.	As reported by New York Produce Exchange.	As reported by Chicago Board of Trade.	As reported by Chicago Board of Trade.	As reported by Chicago Board of Trade.
	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.
1868	29.00		42.6	37.84		35.32
1869	25.00	25.20	35.1	35.57	23.55	33.20
1870	22.00	22.50	33.3	30.00	22.20	28.00
1871	25.00	25.42	31.0	31.80	23.72	29.68
1872	28.00	29.50	33.5	34.99	26.00	32.66
1873	26.90	24.61	33.2	31.02	22.98	28.93
1874	16.90	17.09	28.7	26.25	13.88	24.50
1875	14.60	13.89	24.1	24.00	13.03	22.40
1876	11.80	11.36	16.5	16.86	10.79	15.74
1877	15.80	15.46	20.3	20.50	14.06	18.90
1878	11.40	12.09	17.7	17.70	10.53	16.52
1879	13.30	13.13	17.3	17.74	12.20	14.56
1880	15.70	15.89	19.9	19.80	14.43	17.48
1881	10.40	10.49	14.4	14.40	9.42	13.40
1882	10.90	10.91	14.6	14.47	10.28	13.50
1883	11.50	11.63	16.5	16.20	11.00	15.12
1884	9.95	10.00	13.12	13.20	8.50	12.32
1885	9.02	9.02	14.0	13.20	8.01	12.32
1886	12.00	12.00	16.5	15.00	11.20	14.00
1887	12.00	12.00	15.74	15.75	11.20	14.70
1888	11.00	11.14	14.5	14.50	10.26	13.54
1889a	8.70	8.97	15.0	15.00	8.19	12.60
1890	8.50	8.52	14.31	14.30	7.32	11.36
1891	8.53	8.57	15.0	15.00	7.53	14.00
1892	7.55	7.59	14.23	13.80	7.21	12.96
1893	8.44	8.48	14.7	14.63	7.97	13.65
1894	7.00	7.00	12.88	13.20	6.50	12.32
1895	6.95	6.96	12.17	11.89	6.40	10.29
1896	7.32	6.61	12.0	12.00	6.15	10.50
1897	7.37	7.42	12.32	12.50	6.92	11.43
1898	4.96	4.91	11.55	12.00	4.41	9.80
1899	6.63	6.63	11.13	11.60	5.83	10.08
1900	5.05	5.10	10.98	9.96	4.72	9.19
1901	5.57	5.54	9.92	9.88	5.16	9.21
1902	5.78	5.89	10.60	10.62	5.61	9.94
1903	6.17	6.37	11.33	11.29	5.78	10.54
1904	5.02	5.50	11.11	11.12	4.82	10.38
1905	6.44	6.40	10.20	9.90	5.19	9.40
1906	6.48	6.35	10.50	10.20	5.72	9.52
1907	6.93	c	11.30	c	c	c

a Average based upon officially published tariffs; actual rates lower.

b After 1899, for domestic consumption; rates for export lower.

c Data not available.

## Average annual freight rates from 1870 to 1907.

[From Statistical Abstract.]

Year.	Freight rates on wheat per bushel.		Freight rates on canned goods, per cwt., from Pacific coast to New York.	
	Chicago to New York, by rail.	Buffalo to New York, by canal.	Less than car-loads.	In car-loads.
	Cents.	Cents.		
1870	33.3	11.2	\$3.66	\$3.66
1871	31.0	12.6	3.76	3.76
1872	33.5	13.	3.74	3.74
1873	33.2	11.4	3.69	3.69
1874	28.7	10.0	3.78	3.78
1875	24.1	7.9	3.66	3.66
1876	16.5	6.6	3.77	3.77
1877	20.3	7.4	4.06	4.06
1878	17.7	6.0	4.17	4.17
1879	17.3	6.8	4.20	4.20
1880	19.9	6.5	4.20	4.20



Annual average freight rates from 1870 to 1907—Continued.

Year.	Freight rates on wheat per bushel.		Freight rates on canned goods, per cwt., from Pacific coast to New York.	
	Chicago to New York, by rail.	Buffalo to New York, by canal.	Less than car-loads.	In car-loads.
1881	14.4	4.7	2.54	2.51
1882	14.6	5.4	1.50	1.50
1883	16.5	4.9	1.50	1.50
1884	13.125	4.2	1.50	1.41
1885	14.0	3.8	1.50	1.23
1886	16.5	5.0	1.18	1.01
1887	15.74	4.5	1.55	1.20
1888	14.5	3.4	1.89	1.13
1889	15.0	4.8	2.30	1.03
1890	14.31	3.8	2.30	1.00
1891	15.0	3.5	2.30	1.03
1892	14.23	3.5	2.30	1.05
1893	14.7	4.6	2.30	1.00
1894	12.88	3.2	2.30	1.00
1895	12.17	2.2	2.30	1.00
1896	12.0	3.7	1.91	.75
1897	12.32	2.8	1.90	.76
1898	11.55	2.8	1.90	.75
1899	11.13	3.0	1.90	.75
1900	9.98	2.5	1.90	.75
1901	9.92	3.5	1.90	.75
1902	10.60	3.8	1.90	.75
1903	11.33	4.0	1.90	.75
1904	11.11	3.2	1.90	.75
1905	10.20	3.9	1.90	.75
1906	10.50	4.2	1.90	.75
1907	11.30	5.0	1.90	.75

The State is potent. Corporations and combinations which derive their breath from the State are within its absolute and perpetual control.—Hon. C. W. Fairbanks, at St. Paul, Minn., August 31, 1903.

Corporations that are handled honestly and fairly, so far from being an evil, are a natural business evolution and make for the general prosperity of our land. We do not wish to destroy corporations, but we do wish to make them subservient to the public good.—President Roosevelt at Cincinnati, Ohio, September 20, 1902.

We must regard and have an interest in what our neighbors are doing, and when we can assist them, we cannot pass by on the other side as the Levite did, but we must take them up as the Good Samaritan did and bind up their wounds and prepare to send them on their way rejoicing.—Hon. Wm. H. Taft, at Cleveland, Ohio.

Let nothing distract us; let no discordant voice intrude to embarrass us in the solution of the mighty problems which involve such vast consequences to ourselves and posterity. Let us remember that God bestows supreme opportunity upon no nation which is not ready to respond to the call of supreme duty.—President McKinley at St. Louis, Oct. 14, 1898.

It is probable that the stringency which reached its height on that dark day of October 24 might in part have been alleviated had we had a currency which could automatically enlarge itself to meet the tremendous demand of a day or a week or a month, while public confidence was being restored.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

The right of railway corporations to a fair and profitable return upon their investments and to a reasonable freedom in their regulations must be recognized; but it seems only just that, so far as its constitutional authority will permit, Congress should protect the people at large in their interstate traffic against acts of injustice which the State governments are powerless to prevent.—President Arthur.

But the most gratifying feature of this picture of banking and financial conditions in our country is the fact that deposits in savings banks—those institutions for the safe-keeping of the earnings of workmen and widows and orphans and children of the country—have increased from \$550,000,000 in 1870 to \$3,500,000,000, in 1908. What say you business men, of the future of a country whose workmen and working woman and children have three and a half billion dollars laid aside for a "rainy day."—O. P. Austin.

## Number and Value of Farm Animals, 1890 to 1908.

Note the rapid decline in value of farm animals during the period of Democratic rule and low tariff—1893-1897. The value of farm animals fell from \$2,418,766,028 on January 1, 1890, to \$1,655,414,612 on January 1, 1897; and had advanced to \$1,831,230,000 on January 1, 1908.

## Number and value of farm animals from 1890 to 1908.

[From the annual reports of the Department of Agriculture.]

January 1—	Horses.		Mules.		Milch cows.		Oxen and other cattle.		Sheep.		Swine.		Total value farm animals.
	Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.	
1890.	14,213,837	\$978,516,562	2,331,027	\$182,391,050	15,952,883	\$353,152,123	36,819,024	\$590,625,137	44,336,072	\$100,059,761	51,602,780	\$243,418,336	\$2,418,766,028
1891.	14,056,750	941,823,222	2,296,532	178,817,070	16,019,591	346,397,900	36,875,648	544,127,908	43,421,186	108,397,447	50,625,106	210,103,923	2,329,787,770
1892.	15,408,140	1,007,503,636	2,314,669	174,882,070	16,416,351	351,378,122	37,671,239	570,749,155	44,638,305	116,121,290	52,308,019	241,031,415	2,461,755,608
1893.	16,206,892	1,002,225,155	2,331,128	161,768,751	16,424,087	357,293,785	35,954,196	547,862,204	47,273,553	125,909,264	46,094,807	295,426,192	2,483,506,681
1894.	16,081,139	769,224,700	2,352,281	146,322,511	16,487,400	338,998,061	36,008,168	536,789,717	45,018,017	89,186,110	45,206,498	270,384,626	2,170,816,754
1895.	16,893,318	576,780,580	2,333,108	110,927,834	16,504,629	302,601,729	34,334,216	482,969,129	42,294,964	66,685,767	44,105,716	210,501,267	1,819,146,806
1896.	15,124,057	500,140,186	2,278,946	108,301,457	16,137,586	363,975,545	32,085,400	508,928,116	38,226,783	65,167,785	42,812,759	186,529,745	1,727,926,084
1897.	14,364,667	452,619,396	2,215,651	92,302,060	15,941,727	369,232,993	30,508,408	507,929,121	39,818,643	67,020,942	40,600,276	166,272,770	1,655,414,612
1898.	13,960,911	478,302,407	2,190,282	96,109,516	15,840,886	434,813,829	29,294,197	612,296,631	37,656,900	92,721,183	39,751,993	174,351,409	1,858,654,925
1899.	13,965,307	511,074,813	2,134,212	95,965,261	15,990,115	474,233,925	27,091,225	637,631,135	39,111,453	107,697,590	38,951,693	170,103,748	1,997,010,407
1900.	13,537,524	603,909,412	2,086,027	111,717,092	16,292,880	511,812,106	27,610,054	689,486,290	41,833,065	122,695,913	37,079,356	185,472,821	2,228,123,134
1901.	16,744,723	885,900,168	2,861,155	183,232,299	16,833,657	505,033,077	45,590,213	906,644,003	59,759,718	178,072,476	56,932,142	353,012,113	3,011,254,076
1902.	16,531,224	968,695,178	2,757,017	180,411,704	16,696,862	488,130,324	44,727,707	839,126,073	62,039,011	161,446,071	48,008,890	342,120,780	3,089,170,150
1903.	16,736,050	1,036,940,298	2,757,327	197,753,327	17,105,227	516,711,914	44,675,296	821,054,902	63,961,676	168,315,750	46,922,624	391,073,688	3,102,515,540
1904.	17,057,022	1,200,380,090	2,888,716	251,840,378	17,419,817	508,841,480	43,629,498	814,071,144	51,890,174	133,530,090	47,097,397	280,221,637	3,008,217,479
1905.	15,718,571	1,510,889,906	3,401,061	331,680,320	17,572,464	482,273,203	43,699,453	661,571,309	56,170,423	127,831,850	47,320,511	283,254,978	3,006,580,737
1906.	15,746,553	1,846,578,112	3,816,679	428,063,613	19,793,869	532,788,592	17,097,493	746,171,709	60,631,619	170,096,114	52,102,817	321,892,571	3,675,389,453
1907.	15,962,000	1,867,530,000	3,869,000	416,339,000	20,768,295	615,406,900	51,566,731	845,988,000	51,210,282	204,210,129	51,791,439	417,791,821	4,423,697,853
1908.	15,962,000	1,867,530,000	3,869,000	416,339,000	21,194,000	660,037,000	50,073,000	885,988,000	51,321,000	211,736,000	56,084,000	339,030,000	4,331,230,000



## LABOR CONDITIONS UNDER REPUBLICAN AND DEMOCRATIC ADMINISTRATIONS.

### EMPLOYMENT, HOURS OF LABOR, AND WAGES.

The prosperity of a nation is always evidenced by the condition of its wage-earners. Good wages and steady employment are invariably indicative of sound business conditions and public confidence in those who direct the country's destinies. That the unexampled prosperity which has been manifest since the return of the Republican party to control and the enactment of a protective tariff has continued under the second administration of President Roosevelt is amply demonstrated by the bulletin on wages and hours of labor recently issued by the United States Bureau of Labor.\* To obtain this information, which is published annually, special agents of the bureau were sent to representative establishments in various parts of the country to copy directly from the pay rolls the figures showing the number of persons employed, the average wages paid, and the hours worked per week. *This investigation was conducted with the greatest care by experts specially trained for this class of work, and the results shown are believed to be trustworthy in every respect.*

The following tables, which have been compiled from this and preceding numbers of the bulletin, show in actual and relative figures the number of employees, the average number of hours worked per week, and the average wages per hour in 15 leading occupations during each of the years 1890 to 1907. The number of establishments furnishing the data is given at the head of each table.

To facilitate the study of the figures the Bureau of Labor computed a relative number to accompany each actual number. These relative numbers serve a double purpose—first, they present to the mind of the reader more clearly than the actual or concrete numbers the measure of difference between the data for a series of years, and, second, by their use combinations are made possible that cannot be made with concrete numbers. In making comparisons, therefore, between data for individual years the relative, rather than the actual, numbers should be relied upon. While all comparisons might have been made with 1890, or any other year, it was thought best to take as a basis for comparison, or 100.0, not any one year, but the average during the ten years from 1890 to 1899, owing to the fact that the conditions in any one year might be abnormal. On the first line, therefore, of the table given below (for blacksmiths) appears the number 576, which was the average number employed during the ten years from 1890 to 1899 in the 166 establishments investigated. In the second column is the relative number 100.0, indicating that the number 576 is taken as the basis, or 100.0. In the second line, second column, is given the relative number 99.5, indicating that in 1890 the number of employees was 99.5 per cent of the average number employed during the ten-year period from 1890 to 1899. The other relative figures may be used in a similar manner. In computing the relative number of employees for different years account was taken of the increase or decrease in the number of establishments considered.

\* The bi-monthly bulletins of the Bureau of Labor are published for free distribution and can be obtained on application to the bureau.

*Blacksmiths.*

[Data from 166 establishments 1890-1903; 192, 1904; 179, 1905; 188, 1906; 197, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99.....	576	100.0	59.09	100.0	\$0.2539	100.0
1890.....	573	99.5	59.41	100.5	.2677	101.4
1891.....	579	100.5	59.20	100.2	.2681	101.6
1892.....	583	101.2	59.37	100.5	.2672	101.2
1893.....	586	101.7	59.03	99.9	.2677	101.4
1894.....	510	88.4	58.68	99.3	.2611	99.1
1895.....	541	93.9	59.18	100.2	.2602	98.6
1896.....	548	95.1	58.93	99.7	.2643	100.1
1897.....	541	93.9	58.96	99.8	.2604	98.6
1898.....	635	110.2	59.20	100.2	.2587	98.0
1899.....	665	115.5	58.98	99.8	.2637	99.9
1900.....	695	120.7	58.87	99.6	.2685	101.7
1901.....	753	130.7	57.78	97.8	.2757	104.4
1902.....	802	139.2	57.17	96.8	.2844	107.7
1903.....	818	142.5	56.65	95.7	.2962	111.8
1904.....	776	130.6	56.40	95.5	.2979	110.2
1905.....	751	137.6	55.77	98.0	.3030	111.7
1906.....	861	158.4	55.80	98.1	.3130	114.7
1907.....	804	147.4	56.52	97.8	.3200	118.0

*Boilermakers.*

[Data from 97 establishments 1890-1903; 93, 1904; 91, 1905; 93, 1906; 94, 1907.]

Average 1890-99.....	1,263	100.0	58.55	100.0	\$0.2609	100.0
1890.....	1,336	105.8	59.25	101.2	.2544	99.4
1891.....	1,291	102.2	59.23	101.2	.2577	98.8
1892.....	1,327	105.1	58.88	100.6	.2585	99.1
1893.....	1,280	101.3	58.39	99.8	.2533	99.0
1894.....	1,105	87.5	58.83	99.9	.2614	100.2
1895.....	1,136	89.9	58.47	99.9	.2629	100.8
1896.....	1,236	97.9	58.02	99.1	.2626	100.7
1897.....	1,197	94.8	58.11	99.3	.2607	99.9
1898.....	1,354	107.2	58.30	99.6	.2617	100.3
1899.....	1,339	108.4	58.06	99.2	.2654	101.7
1900.....	1,477	116.9	57.36	98.0	.2773	105.3
1901.....	1,585	125.5	56.82	97.1	.2794	107.1
1902.....	1,624	128.6	56.33	96.3	.2800	107.3
1903.....	1,700	134.6	56.24	96.1	.2848	109.2
1904.....	1,289	121.3	55.98	95.0	.2742	113.2
1905.....	1,182	120.9	55.92	94.8	.3037	115.4
1906.....	1,227	130.4	56.09	95.2	.3135	118.2
1907.....	1,241	130.3	55.73	94.7	.3290	123.0

*Bricklayers.*

[Data from 212 establishments 1890-1903; 229, 1904; 209, 1905; 215, 1906; 222, 1907.]

Average 1890-99.....	4,355	100.0	51.57	100.0	\$0.4387	100.0
1890.....	4,422	101.5	53.22	103.2	.4316	98.4
1891.....	4,892	112.3	52.80	102.4	.4365	99.5
1892.....	4,967	114.1	52.19	101.2	.4431	101.0
1893.....	4,535	104.1	51.63	100.1	.4436	101.1
1894.....	4,055	93.1	51.96	100.8	.4325	98.6
1895.....	3,841	88.2	51.53	100.0	.4337	99.5
1896.....	3,998	91.8	51.50	99.9	.4337	98.9
1897.....	4,010	92.1	51.11	99.1	.4361	99.4
1898.....	4,150	95.3	50.47	97.9	.4331	98.7
1899.....	4,675	107.3	49.24	95.5	.4577	104.8
1900.....	4,576	105.1	49.32	95.6	.4672	105.5
1901.....	5,142	118.1	48.62	94.3	.4912	112.0
1902.....	4,781	109.8	48.27	93.6	.5313	118.0
1903.....	5,064	116.3	47.83	92.7	.5471	124.7
1904.....	4,614	111.2	47.32	92.1	.5786	127.3
1905.....	4,365	111.8	46.79	92.0	.5917	132.1
1906.....	5,104	124.0	46.82	91.9	.6205	138.6
1907.....	4,819	115.7	46.62	91.8	.6313	140.9

This brings me to the question of arbitration. It goes without saying that where an adjustment cannot be reached by negotiation, it is far better for the community at large that the differences be settled by submission to an impartial tribunal and agreement to abide its judgment than to resort to a trial of resistance and endurance by lockouts and strikes.—Hon. Wm. H. Taft, at Cooper Union, New York City.



*Carpenters.*

[Data from 227 establishments 1890-1903; 242, 1904; 213, 1905; 216, 1906; 225, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99.....	5,655	100.0	51.85	100.0	\$0.2751	100.0
1890.....	5,023	101.8	55.94	102.0	.2713	98.6
1891.....	6,281	110.2	55.56	101.3	.2730	91.2
1892.....	6,461	114.3	55.12	100.5	.2825	102.7
1893.....	5,528	97.8	55.22	100.7	.2744	99.7
1894.....	5,019	89.3	55.27	100.7	.2603	97.9
1895.....	5,021	88.8	55.05	100.3	.2692	97.9
1896.....	5,413	95.7	54.67	99.7	.2740	99.6
1897.....	5,403	95.4	54.20	95.4	.2748	100.0
1898.....	5,402	95.5	51.02	98.5	.2700	101.4
1899.....	6,120	108.2	53.42	97.4	.2833	103.3
1900.....	6,336	112.0	51.86	91.5	.3049	110.8
1901.....	6,630	117.8	50.74	92.5	.3190	115.9
1902.....	6,906	122.1	49.70	90.6	.3103	123.7
1903.....	6,580	116.4	49.41	90.2	.3594	130.6
1904.....	6,748	108.6	48.99	89.9	.3633	129.9
1905.....	6,652	108.3	48.64	90.1	.3773	133.6
1906.....	7,168	121.6	48.26	89.7	.4017	141.6
1907.....	7,386	124.7	47.87	83.9	.4338	151.9

*Compositors.*

[Data for employees from 91 establishments 1890-1903. Data for hours and wages from 91 establishments 1890; 92, 1891, 1892; 93, 1893; 94, 1894; 95, 1895-1903. Data from 135 establishments 1904; 118, 1905; 149, 1906; 151, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99.....	1,148	100.0	52.53	100.0	\$0.3039	100.0
1890.....	1,508	131.4	53.15	101.2	.3780	101.0
1891.....	1,530	133.3	52.02	100.2	.3997	101.5
1892.....	1,491	130.1	52.58	100.1	.4013	101.9
1893.....	1,327	115.6	53.13	101.1	.3133	99.8
1894.....	1,057	91.9	52.75	100.4	.3793	96.4
1895.....	915	79.7	52.73	100.1	.3827	97.2
1896.....	883	76.9	52.58	100.1	.3897	98.9
1897.....	928	80.8	52.47	99.9	.3925	99.6
1898.....	898	78.2	52.06	99.1	.3931	99.9
1899.....	944	82.2	51.26	97.6	.4086	103.7
1900.....	969	84.4	51.09	97.3	.4071	103.4
1901.....	959	83.5	50.37	95.9	.4252	107.9
1902.....	954	83.1	49.96	95.1	.4352	110.5
1903.....	1,009	87.9	49.81	94.8	.4467	113.4
1904.....	1,795	92.4	47.23	93.9	.4916	115.6
1905.....	2,193	100.7	47.42	93.4	.5031	118.3
1906.....	2,205	108.7	47.25	92.8	.5120	120.3
1907.....	2,357	114.8	46.92	92.3	.5296	124.1

*Hod carriers.*

[Data from 250 establishments 1890-1903; 262, 1904; 275, 1905; 269, 1906; 311, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99.....	4,242	100.0	51.60	100.0	\$0.2329	100.0
1890.....	4,327	102.0	52.78	102.3	.2259	97.0
1891.....	4,644	100.5	52.54	101.8	.2248	96.5
1892.....	4,894	115.4	51.81	100.4	.2311	99.4
1893.....	4,455	105.0	51.64	100.1	.2325	99.8
1894.....	3,698	87.2	52.03	100.8	.2303	98.9
1895.....	3,844	90.6	51.53	99.9	.2320	99.6
1896.....	3,959	93.3	51.45	99.7	.2335	100.3
1897.....	3,996	94.2	51.42	99.7	.2322	99.7
1898.....	3,920	92.4	51.01	98.9	.2343	100.6
1899.....	4,685	110.4	49.79	96.5	.2518	108.1
1900.....	4,417	104.1	49.79	96.5	.2498	107.3
1901.....	5,097	120.2	49.35	95.6	.2546	109.3
1902.....	5,082	119.3	48.56	94.1	.2676	114.9
1903.....	5,212	123.5	47.98	93.0	.2863	122.9
1904.....	4,811	121.3	47.47	92.8	.2866	123.8
1905.....	4,648	128.1	47.11	93.0	.2933	124.7
1906.....	6,292	146.3	47.02	92.9	.3192	134.5
1907.....	6,090	131.1	46.92	92.7	.3202	135.2

An injunction suit does not differ in the slightest degree from a suit brought after the event, so far as the function the court is concerned in declaring the law, except that the court declares the law in respect of anticipated facts rather than in respect of those which have happened. The court has no authority to make law.—Hon Wm. H. Taft, at Cooper Union, New York City.

# EMPLOYMENT, HOURS OF LABOR AND WAGES. 211

## Iron molders.

[Data from 183 establishments 1890-1903; 179, 1904; 169, 1905; 168, 1906; 171, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99.....	2,974	100.0	59.31	100.0	\$0.2526	100.0
1890.....	2,962	99.6	59.51	100.4	.2540	100.6
1891.....	2,952	99.3	59.60	100.5	.2565	101.5
1892.....	3,032	102.0	59.49	100.3	.2548	100.9
1893.....	3,181	107.0	59.18	99.8	.2557	101.2
1894.....	2,519	84.7	59.10	99.7	.2472	97.9
1895.....	2,781	93.5	59.29	100.0	.2476	98.0
1896.....	2,519	97.8	59.24	99.9	.2507	99.2
1897.....	2,781	91.9	59.17	99.8	.2525	100.0
1898.....	3,234	108.7	59.34	100.0	.2503	99.1
1899.....	3,439	115.6	59.14	99.7	.2568	101.7
1900.....	3,790	127.4	59.07	99.6	.2694	106.7
1901.....	3,793	127.5	58.47	98.6	.2739	108.4
1902.....	3,968	133.4	57.65	97.2	.2894	114.6
1903.....	4,218	141.8	56.80	95.8	.3036	120.2
1904.....	3,408	116.2	56.13	95.1	.3072	119.5
1905.....	3,637	124.9	56.09	95.1	.3078	119.3
1906.....	4,094	147.6	56.08	95.1	.3217	123.8
1907.....	4,351	154.4	55.74	94.8	.3317	127.0

## Laborers.

[Data from 146 establishments 1890-1903; 172, 1904; 192, 1905; 193, 1906; 190, 1907.]

Average 1890-99.....	4,460	100.0	58.84	100.0	\$0.1467	100.0
1890.....	5,118	114.8	59.02	100.3	.1507	102.7
1891.....	4,861	109.0	59.02	100.3	.1511	103.0
1892.....	4,812	107.9	59.02	100.3	.1519	103.5
1893.....	4,516	101.3	58.80	100.0	.1493	101.8
1894.....	4,128	92.6	58.76	99.9	.1419	96.7
1895.....	3,796	85.1	58.88	100.1	.1440	98.2
1896.....	4,018	90.1	58.92	100.1	.1415	96.5
1897.....	3,000	67.3	58.80	99.9	.1445	98.5
1898.....	4,524	101.4	58.44	99.3	.1466	99.9
1899.....	4,822	108.1	58.71	99.8	.1457	99.3
1900.....	5,275	118.3	58.27	99.0	.1461	99.6
1901.....	4,618	103.3	57.98	98.5	.1585	108.0
1902.....	5,317	119.2	56.66	96.3	.1614	112.0
1903.....	5,082	113.9	56.13	95.8	.1676	114.2
1904.....	5,092	114.2	55.38	95.8	.1781	114.3
1905.....	7,017	157.3	54.77	93.1	.1867	127.8
1906.....	7,187	161.1	54.85	93.4	.1956	133.2
1907.....	7,366	165.1	54.56	92.8	.2037	139.0

## Machinists.

[Data from 218 establishments 1890-1903; 228, 1904; 206, 1905; 205, 1906; 209, 1907.]

Average 1890-99.....	5,414	100.0	59.12	100.0	\$0.2404	100.0
1890.....	5,302	97.9	59.52	100.7	.2413	100.5
1891.....	5,414	100.0	59.47	100.6	.2435	101.2
1892.....	5,409	99.9	59.24	100.2	.2459	102.3
1893.....	5,677	104.9	59.03	99.8	.2450	101.9
1894.....	4,339	80.1	59.07	99.9	.2347	97.5
1895.....	4,917	90.8	59.08	99.9	.2347	97.5
1896.....	5,176	95.6	59.01	99.8	.2397	99.6
1897.....	5,059	93.4	58.96	99.7	.2397	99.7
1898.....	6,058	111.9	59.11	100.0	.2377	99.0
1899.....	6,793	125.5	58.72	99.3	.2417	100.8
1900.....	7,083	130.9	58.56	99.1	.2485	103.6
1901.....	7,616	140.8	57.37	97.0	.2555	106.8
1902.....	8,221	151.8	56.56	95.7	.2646	110.3
1903.....	8,576	158.5	56.12	94.9	.2709	112.9
1904.....	7,769	143.7	55.57	94.0	.2726	112.8
1905.....	7,539	139.2	56.12	94.5	.2795	115.1
1906.....	7,839	144.9	55.98	94.4	.2922	116.4
1907.....	8,268	153.4	55.40	93.7	.3051	124.4

A higher standard for our judiciary; fewer laws and better enforcement of them; a wider public appreciation of the essentials of democracy and of the principles upon which this government was founded, will help us to the solution of the problems before us, and as the very basis and foundation of our national life, we must conserve those forces which insure the efficiency of our schools and safeguard the purity of our homes.—Hon. George B. Cortelyou, at Havana, Illinois, June 7, 1905.



## 212 EMPLOYMENT, HOURS OF LABOR AND WAGES.

*Painters.*

[Data from 203 establishments 1890-1903; 208, 1904; 206, 1905; 210, 1906; 211, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99	3,676	100.0	53.82	100.0	\$0.2763	100.0
1890	3,511	95.3	55.23	102.6	.2680	97.0
1891	3,708	100.9	54.86	101.9	.2712	98.2
1892	3,877	105.5	54.43	101.1	.2747	99.4
1893	3,666	99.7	53.83	100.1	.2795	101.2
1894	3,450	93.9	54.01	100.4	.2737	99.1
1895	3,460	94.1	53.87	100.1	.2720	98.4
1896	3,648	99.2	53.61	99.6	.2742	99.2
1897	3,737	101.7	53.28	99.0	.2778	100.5
1898	3,723	101.3	52.79	98.1	.2827	102.3
1899	3,953	107.5	52.27	97.1	.2892	104.7
1900	4,089	111.2	50.91	94.6	.3054	110.5
1901	4,284	116.5	49.85	92.6	.3170	114.7
1902	4,254	115.7	49.27	91.5	.3303	119.5
1903	4,021	109.4	48.89	90.8	.3450	124.9
1904	4,124	109.9	48.43	90.4	.3543	127.9
1905	4,304	111.5	48.01	90.5	.3642	129.5
1906	4,502	116.2	47.64	89.7	.3842	136.8
1907	4,497	114.4	47.45	89.3	.3967	142.0

*Plasterers.*

[Data from 146 establishments 1890-1903; 152, 1904; 164, 1905; 166, 1906; 166, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99	1,681	100.0	51.83	100.0	\$0.3969	100.0
1890	1,684	100.2	53.50	103.2	.3648	91.8
1891	1,782	106.0	52.67	101.6	.3696	93.2
1892	1,857	110.5	52.09	100.5	.4100	103.3
1893	1,721	102.4	51.97	100.3	.4019	101.0
1894	1,547	92.0	52.01	100.3	.3915	98.4
1895	1,547	92.0	51.63	99.6	.3924	98.1
1896	1,642	97.7	51.50	99.4	.3935	99.7
1897	1,587	94.4	51.96	100.3	.3903	97.6
1898	1,630	97.0	51.11	98.6	.3974	99.4
1899	1,817	108.1	49.82	96.1	.4254	107.4
1900	1,875	111.5	48.75	94.1	.4378	109.5
1901	1,769	105.2	48.27	93.1	.4570	114.3
1902	2,061	122.8	47.29	91.2	.4946	124.6
1903	1,895	112.7	47.04	90.8	.5283	133.1
1904	1,793	106.5	46.64	90.5	.5398	135.8
1905	2,069	123.8	46.56	90.1	.5608	139.6
1906	2,286	136.1	46.56	90.0	.5977	148.7
1907	2,414	141.1	46.30	89.6	.6177	153.3

*Plumbers.*

[Data from 221 establishments 1890-1903; 232, 1904; 207, 1905; 215, 1906; 219, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99	1,350	100.0	53.23	100.0	\$0.3550	100.0
1890	1,368	99.1	54.33	102.1	.3464	97.4
1891	1,384	100.3	54.09	101.6	.3483	98.1
1892	1,427	103.4	53.86	101.2	.3511	98.7
1893	1,377	99.8	53.36	100.2	.3562	99.9
1894	1,303	94.4	53.28	100.1	.3515	98.8
1895	1,301	94.3	53.08	99.7	.3546	99.7
1896	1,365	98.9	52.86	99.3	.3505	98.4
1897	1,367	99.1	52.67	98.9	.3598	101.2
1898	1,443	104.6	52.53	98.7	.3633	102.3
1899	1,466	106.2	52.28	98.2	.3684	103.6
1900	1,523	110.4	51.40	96.6	.3811	107.1
1901	1,633	118.3	50.77	95.4	.3985	112.6
1902	1,627	117.9	49.52	93.0	.4122	117.6
1903	1,595	115.7	48.97	91.9	.4371	124.5
1904	1,771	127.2	47.98	91.3	.4679	128.3
1905	1,813	124.5	47.32	91.1	.4912	131.2
1906	2,216	139.8	46.54	90.2	.5392	141.9
1907	2,265	136.7	46.51	90.0	.5582	148.1

No man is warranted in feeling pride in the deeds of the Army and Navy of the past if he does not back up the Army and the Navy of the present.—President Roosevelt at Sherman statue unveiling, Oct. 15, 1903.

Protection has already made us the richest and strongest on earth, and under a properly restricted immigration will bring to us much that is most valuable in the population of other lands.—Senator Hoar, in the American Econ-



# EMPLOYMENT, HOURS OF LABOR AND WAGES. 213

## Stone cutters, granite.

[Data from 72 establishments 1890-1903; 88, 1904; 87, 1905; 89, 1906; 99, 1907.]

Year.	Number of employees.		Average hours per week.		Average wages per hour.	
	Actual.	Relative.	Actual.	Relative.	Actual.	Relative.
Average 1890-99.....	775	100.0	52.71	100.0	\$0.3628	100.0
1890.....	938	121.0	52.73	100.0	.3730	102.8
1891.....	880	113.5	52.54	99.7	.3803	104.8
1892.....	882	113.8	52.70	100.0	.3750	103.4
1893.....	778	100.4	53.12	100.8	.3618	99.7
1894.....	705	91.0	52.81	100.2	.3533	99.0
1895.....	685	88.4	52.67	99.9	.3511	99.5
1896.....	702	91.5	52.77	100.1	.3530	99.0
1897.....	678	87.5	52.99	100.5	.3524	97.1
1898.....	698	90.1	53.04	100.6	.3467	95.6
1899.....	798	103.0	51.70	98.1	.3594	99.1
1900.....	901	116.3	50.20	95.2	.3923	108.1
1901.....	852	109.9	49.96	94.8	.3863	106.0
1902.....	853	110.5	49.67	94.2	.3338	108.5
1903.....	900	116.1	48.67	92.3	.4225	116.5
1904.....	925	109.8	48.71	92.2	.4191	119.1
1905.....	919	96.3	48.65	92.6	.4052	116.7
1906.....	1,124	107.1	47.52	91.3	.4329	121.7
1907.....	1,158	107.5	47.97	91.1	.4438	126.5

## Stone masons.

[Data from 115 establishments 1890-1903; 110, 1904; 102, 1905; 100, 1906; 98, 1907.]

Average 1890-99.....	885	100.0	53.53	100.0	\$0.3617	100.0
1890.....	947	106.9	54.54	101.3	.3722	102.9
1891.....	1,021	115.2	54.51	101.3	.3732	103.2
1892.....	984	111.1	54.49	101.2	.3673	101.5
1893.....	898	101.4	54.17	100.6	.3644	100.7
1894.....	799	90.2	54.34	100.9	.3440	95.1
1895.....	798	90.1	54.05	100.4	.3385	96.4
1896.....	828	93.5	53.97	100.3	.3547	98.1
1897.....	796	89.8	53.05	98.6	.3628	100.3
1898.....	932	105.2	52.43	97.4	.3581	99.0
1899.....	890	101.1	52.73	98.0	.3719	102.8
1900.....	935	105.5	51.89	96.4	.3788	104.7
1901.....	927	104.6	51.23	95.2	.4007	110.8
1902.....	954	107.7	50.19	93.2	.4304	119.0
1903.....	1,073	121.1	49.54	92.0	.4486	126.6
1904.....	965	117.7	49.37	91.4	.4683	129.4
1905.....	868	116.8	47.97	91.3	.4951	129.5
1906.....	819	114.3	47.81	91.2	.5158	135.2
1907.....	735	100.9	47.57	90.6	.5256	139.7

## Structural iron workers.

[Data for employees from 19 establishments 1890-1903. Data for hours and wages from 19 establishments 1890-1892; 20, 1893-1903. Data from 37 establishments 1904; 59, 1905; 62, 1906; 62, 1907.]

Average 1890-99.....	561	100.0	55.14	100.0	\$0.2643	100.0
1890.....	436	77.7	56.73	102.9	.2475	93.6
1891.....	551	98.2	56.15	101.8	.2501	98.0
1892.....	602	107.3	54.77	99.3	.2958	100.6
1893.....	554	98.8	55.18	100.1	.2666	100.9
1894.....	416	74.2	56.29	101.9	.2470	93.5
1895.....	446	79.5	55.22	100.1	.2581	97.7
1896.....	648	115.5	54.32	98.5	.2576	97.5
1897.....	628	111.9	53.47	97.0	.2751	104.1
1898.....	685	122.1	53.90	97.8	.2784	105.3
1899.....	618	115.5	55.44	100.5	.2876	108.8
1900.....	798	142.2	54.03	98.0	.3182	120.4
1901.....	1,007	195.5	53.30	96.7	.3959	138.4
1902.....	1,280	228.2	50.52	91.6	.4121	155.9
1903.....	1,153	205.6	50.85	92.2	.4115	159.8
1904.....	1,794	205.5	50.38	90.6	.4289	171.4
1905.....	1,731	194.3	49.61	90.1	.4402	171.8
1906.....	2,105	234.8	49.67	90.9	.4730	180.4
1907.....	1,914	216.5	49.35	91.3	.4767	190.3

The following tables show the percentage of increase or decrease in the relative number of employees, the relative hours of work per week, and the relative wages per hour in the 15 leading occupations in 1907, compared with each preceding year from 1890 to 1906:

...the

per cent of increase (+) or decrease (—) in 1907 compared with—

### Occupations.



Per cent of increase or decrease in the relative wages per hour in 15 leading occupations in 1907 compared with each preceding year.

Occupations.	Per cent of increase (+) or decrease (—) in 1907 compared with—														
	1900	1901	1902	1903	1904	1905	1906	1907	1908	1909	1900	1901	1902	1903	1904
Blacksmiths.....	+ 16.4	+ 16.1	+ 16.6	+ 16.4	+ 19.1	+ 19.7	+ 17.9	+ 19.7	+ 20.4	+ 19.1	+ 16.0	+ 13.0	+ 9.5	+ 5.6	+ 7.1
Boilermakers.....	+ 19.2	+ 23.8	+ 21.1	+ 21.2	+ 22.8	+ 22.0	+ 19.7	+ 23.1	+ 22.6	+ 20.9	+ 15.7	+ 14.8	+ 14.6	+ 12.6	+ 8.7
Bricklayers.....	+ 43.2	+ 41.6	+ 39.5	+ 33.1	+ 41.9	+ 41.6	+ 42.5	+ 40.7	+ 42.8	+ 34.4	+ 32.3	+ 25.8	+ 19.4	+ 12.9	+ 8.7
Carpenters.....	+ 54.1	+ 53.1	+ 47.9	+ 52.4	+ 55.2	+ 57.2	+ 52.5	+ 51.9	+ 49.8	+ 47.2	+ 37.1	+ 31.1	+ 22.8	+ 16.3	+ 10.7
Compositors.....	+ 22.9	+ 22.3	+ 21.8	+ 21.4	+ 28.7	+ 27.7	+ 25.5	+ 24.6	+ 24.2	+ 19.7	+ 20.0	+ 15.0	+ 12.3	+ 9.4	+ 7.4
Coal carriers.....	+ 40.1	+ 40.8	+ 36.7	+ 36.2	+ 37.4	+ 35.5	+ 35.5	+ 36.3	+ 35.1	+ 25.7	+ 26.7	+ 24.3	+ 18.3	+ 10.6	+ 9.8
Iron molders.....	+ 26.2	+ 25.1	+ 25.9	+ 25.5	+ 29.7	+ 29.6	+ 28.0	+ 27.0	+ 28.2	+ 24.9	+ 28.4	+ 17.2	+ 10.8	+ 5.7	+ 6.3
Laborers.....	+ 23.9	+ 23.5	+ 22.8	+ 25.0	+ 31.5	+ 29.5	+ 31.8	+ 29.1	+ 27.8	+ 28.1	+ 27.7	+ 18.7	+ 13.6	+ 11.4	+ 11.3
Machinists.....	+ 19.8	+ 19.0	+ 16.7	+ 18.2	+ 23.5	+ 23.5	+ 20.9	+ 20.8	+ 21.6	+ 19.4	+ 16.2	+ 12.7	+ 9.2	+ 6.6	+ 6.7
Painters.....	+ 46.4	+ 44.6	+ 42.9	+ 30.1	+ 43.3	+ 44.3	+ 43.1	+ 41.3	+ 39.8	+ 36.6	+ 28.5	+ 23.8	+ 10.5	+ 13.1	+ 11.0
Plasterers.....	+ 57.8	+ 54.5	+ 49.4	+ 53.5	+ 56.6	+ 56.3	+ 53.8	+ 57.1	+ 54.2	+ 44.1	+ 40.0	+ 31.1	+ 23.9	+ 16.4	+ 14.6
Plumbers.....	+ 52.1	+ 51.0	+ 50.1	+ 48.3	+ 49.9	+ 48.6	+ 47.5	+ 46.3	+ 44.8	+ 43.0	+ 38.3	+ 33.9	+ 25.9	+ 19.0	+ 15.4
Stone cutters.....	+ 23.1	+ 20.7	+ 22.3	+ 26.9	+ 27.1	+ 27.1	+ 27.8	+ 30.3	+ 32.3	+ 27.6	+ 17.0	+ 18.7	+ 16.6	+ 8.6	+ 6.2
Stone masons.....	+ 35.8	+ 31.3	+ 37.6	+ 38.7	+ 46.9	+ 44.9	+ 45.4	+ 39.1	+ 41.1	+ 35.9	+ 33.4	+ 26.1	+ 17.3	+ 10.3	+ 7.1
Structural iron workers.....	+ 103.3	+ 94.2	+ 89.2	+ 88.6	+ 103.5	+ 94.8	+ 95.2	+ 82.8	+ 80.7	+ 74.9	+ 58.1	+ 37.5	+ 22.1	+ 19.1	+ 11.0

**Explanation.**—The figures in these tables give under each year the per cent of increase or decrease (indicated by + or —) in the number of persons employed, the hours worked per week, and the wages paid per hour, which the relative figures for 1907 show as compared with those for the year specified. For example, under the year 1896 (the last year of Cleveland's administration) opposite carpenters there appears +30.3 in the table showing the per cent of increase or decrease in the number of employees,—10.8 in the one giving the same facts with regard to hours of work per week, and +52.5 in that relating to wages per hour. This means that the number of carpenters employed in the establishments covered by the figures was 30.3 per cent greater in 1907 than in 1896, that their weekly hours of work had decreased 10.8 per cent, and that they were paid 52.5 per cent more per hour in wages. Similar results are shown for other occupations.

These figures show that during the administrations of Presidents McKinley and Roosevelt there were more persons employed in industrial establishments and that fewer hours were worked and higher wages were paid than during the period of Democratic rule.

Taking up each occupation separately for discussion, we find that there were 55 per cent more blacksmiths employed in the establishments considered in 1907 than in 1896, and that the wages per hour of these blacksmiths were 17.9 per cent higher in 1907 than in 1896.

There were 33.1 per cent more boilermakers employed in the establishments considered in 1907 than in 1896, and that the wages hour of these boilermakers were 22.1 per cent higher.

There were 26 per cent more bricklayers employed in the establishments investigated in 1907 than in 1896, and these bricklayers received an average of 42.5 per cent more wages per hour.

There were 30.3 per cent more carpenters in the establishments furnishing data in 1907 than in 1896, and they were paid 52.5 per cent more wages per hour.

Compositors were 49.3 per cent more in number and received an average of 25.5 per cent more hourly wages.

Hod carriers increased 40.5 per cent in number and received 35.5 per cent more wages per hour.

Iron molders increased 57.9 per cent in number and received 28 per cent more wages per hour.

Day laborers increased 52.9 per cent in number and received 31.8 per cent more wages per hour.

Machinists increased 87.7 per cent in number and received 20.9 per cent more wages per hour.

Painters increased 15.3 per cent in number and received 43.1 per cent more wages per hour.

Plasterers increased 34.2 per cent in number and received 53.8 per cent more wages per hour.

Plumbers increased 38.2 per cent in number and received 47.5 per cent more wages per hour.

Stone cutters increased 16.1 per cent in number and received 27.8 per cent more wages per hour.

Stone masons increased 7.8 per cent in number and received 42.4 per cent more wages per hour.

Structural iron workers increased 87.4 per cent in number and received 95.2 per cent more wages per hour.

If these figures are representative of labor conditions generally for the occupations considered, and there is no reason why they should not be, they show the following interesting facts:

#### **Employment.**

For every 100 blacksmiths employed in 1896 there were 155 blacksmiths employed in 1907; for every 100 boilermakers employed in 1896 there were 133 employed in 1907; for every 100 bricklayers employed in 1896 there were 126 employed in 1907; for every 100 carpenters employed in 1896 there were 130 employed in 1907; for every 100 compositors employed in 1896 there were 149 employed in 1907; for every 100 hod carriers employed in 1896 there were 140 employed in 1907; for every



100 iron molders employed in 1896 there were 158 employed in 1907; for every 100 day laborers employed in 1896 there were 153 employed in 1907; for every 100 machinists employed in 1896 there were 188 employed in 1907; for every 100 painters employed in 1896 there were 115 employed in 1907; for every 100 plasterers employed in 1896 there were 134 employed in 1907; for every 100 plumbers employed in 1896 there were 138 employed in 1907; for every 100 stone cutters employed in 1896 there were 116 employed in 1907; for every 100 stone masons employed in 1896 there were 108 employed in 1907; for every 100 structural iron workers employed in 1896 there were 187 employed in 1907.

#### Wages.

For every dollar paid to a blacksmith in 1896, \$1.18 were paid in 1907 for the same amount of labor; for every dollar paid to a boilermaker in 1896, \$1.22 were paid in 1907; for every dollar paid to a bricklayer in 1896, \$1.42½ were paid in 1907; for every dollar paid to a carpenter in 1896, \$1.52½ were paid in 1907; for every dollar paid to a compositor in 1896, \$1.25½ were paid in 1907; for every dollar paid to a hod carrier in 1896, \$1.35½ were paid in 1907; for every dollar paid to an iron molder in 1896, \$1.28 were paid in 1907; for every dollar paid to a day laborer in 1896, \$1.32 were paid in 1907; for every dollar paid to a machinist in 1896, \$1.21 were paid in 1907; for every dollar paid to a painter in 1896, \$1.43 were paid in 1907; for every dollar paid to a plasterer in 1896, \$1.54 were paid in 1907; for every dollar paid to a plumber in 1896, \$1.47½ were paid in 1907; for every dollar paid to a stone cutter in 1896, \$1.28 were paid in 1907; for every dollar paid to a stone mason in 1896, \$1.42 were paid in 1907; for every dollar paid to a structural iron worker in 1896, \$1.95 were paid in 1907.

The 15 occupations for which figures have been shown in detail are among the great representative occupations that are to be found in every section of the country. There are also many occupations that are very important in certain particular sections of the country. Figures for such additional occupations are given in detail in the bulletin of the Bureau of Labor from which the figures here quoted are taken, but the limited space in this book will not permit a reprint of all occupations.

In the bulletin named the figures for the several occupations of each of the industries represented are also combined to form a summary for each industry, thus giving an opportunity to study the figures for each industry as a whole.

What the capitalist, who is the employer of labor, must face is that the organization of labor—the labor union—is a permanent condition in the industrial world. It has come to stay.—Hon. Wm. H. Taft, at Cooper Union, New York City.

Under existing conditions the blindest course that an employer of labor can pursue is to decline to recognize labor unions as the controlling influence in the labor market and to insist upon dealing only with his particular employees.—Hon. Wm. H. Taft, at Cooper Union, New York City.

We believe in reciprocity with foreign nations on the terms outlined in President McKinley's last speech, which urged the extension of our foreign markets by reciprocal agreements whenever they could be made without injury to American industry and labor.—President Roosevelt's speech accepting 1904 nomination.

Not only must our labor be protected by the tariff, but it should also be protected so far as it is possible from the presence in this country of any laborers brought over by contract, or of those who, coming freely, yet represent a standard of living so depressed that they can undersell our men in the labor market and drag them to a lower level.—President Roosevelt, in message to Congress, Dec. 3, 1901.

The farmer of the West has learned and the farmer of the South ought to learn that when the factory is closed he not only loses customers for his products, but also meets additional competitors in his production. The workman, losing his employment in the factory, settles upon a truck farm and becomes a producer of the products he formerly bought from the farmer. The prosperity of the farmer depends upon the prosperity of those who buy his products.—Hon. P. P. Campbell, in Congress, April 1, 1904.

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## Summary by Industries.

The summaries for a few important industries are here reproduced, namely, agricultural implements, bakery products (bread), building trades, cigars, cotton goods, and bar iron and steel. The explanation given of the preceding tables applies to these tables as well.

### Agricultural implements.

Year.	Employees.		Hours per week.		Wages per hour.	
	Relative Number.	Per cent of increase (+) or decrease (—) in 10 as compared with year specified.	Relative Number.	Per cent of increase (+) or decrease (—) in 1907 as compared with year specified.	Relative.	Per cent of increase (+) or decrease (—) in 1907 as compared with year specified.
1870..	86.2	+51.4	100.3	— 4.0	97.1	+34.5
1891..	88.2	+ 8.0	100.3	— 4.0	100.8	+29.9
1892..	95.1	+37.2	107.3	— 4.0	101.6	+23.5
1893..	105.1	+21.2	100.3	— 4.0	102.5	+27.7
1894..	95.8	+36.2	99.2	— 2.9	97.3	+34.5
1895..	98.1	+33.0	100.3	— 4.0	96.4	+35.8
1896..	91.5	+38.1	99.9	— 3.6	102.0	+28.3
1897..	95.3	+33.9	99.0	— 2.7	99.4	+31.7
1898..	120.9	+ 7.9	100.2	— 3.9	101.0	+29.6
1899..	120.6	+ 8.2	100.2	— 3.9	101.8	+28.6
1900..	130.7	— 0.2	100.2	— 3.9	105.8	+23.7
1901..	105.9	+23.2	100.2	— 3.9	107.6	+21.7
1902..	115.8	+12.7	100.2	— 3.9	112.8	+16.0
1903..	121.8	+ 4.6	99.4	— 3.1	117.2	+11.7
1904..	108.5	+20.4	97.3	— 1.0	122.5	+ 6.9
1905..	123.7	+ 5.5	97.1	— 0.8	121.4	+ 5.2
1906..	183.3	— 2.1	96.6	— 0.3	123.3	+ 1.3
1907..	130.5	-----	96.3	-----	130.9	-----

### Bakery products (bread.)

Year.	Relative Number.	Per cent of increase (+) or decrease (—) in 10 as compared with year specified.	Relative Number.	Per cent of increase (+) or decrease (—) in 1907 as compared with year specified.	Relative.	Per cent of increase (+) or decrease (—) in 1907 as compared with year specified.
1870..	93.3	+71.1	100.8	— 9.1	99.3	+29.5
1891..	91.6	+68.7	100.8	— 9.1	99.9	+29.0
1892..	96.1	+66.1	109.9	— 9.2	100.3	+23.5
1893..	96.0	+66.3	100.5	— 8.9	100.2	+23.6
1894..	97.2	+61.2	100.4	— 8.8	98.4	+31.0
1895..	100.2	+59.3	99.9	— 8.3	98.7	+30.6
1896..	102.1	+53.3	99.6	— 8.0	99.6	+29.4
1897..	102.6	+55.6	100.2	— 8.6	99.8	+29.2
1898..	107.9	+47.9	99.1	— 7.6	100.6	+23.1
1899..	109.8	+45.4	97.8	— 6.8	103.1	+25.0
1900..	114.0	+40.0	96.9	— 5.5	106.6	+20.9
1901..	121.0	+31.9	96.3	— 4.9	108.8	+18.5
1902..	130.4	+22.4	95.8	— 4.4	113.9	+13.2
1903..	133.7	+19.4	93.9	— 2.4	118.9	+ 8.4
1904..	142.6	+11.9	93.6	— 2.1	121.1	+ 6.4
1905..	148.1	+ 7.8	92.5	— 1.0	123.5	+ 4.4
1906..	155.6	+ 2.6	91.8	— 0.2	127.4	+ 1.2
1907..	157.6	-----	91.6	-----	128.9	-----

### Building trades.

Year.	Relative Number.	Per cent of increase (+) or decrease (—) in 10 as compared with year specified.	Relative Number.	Per cent of increase (+) or decrease (—) in 1907 as compared with year specified.	Relative.	Per cent of increase (+) or decrease (—) in 1907 as compared with year specified.
1890..	96.5	+42.4	102.5	—11.6	97.0	+49.1
1891..	100.0	+37.4	101.8	—11.0	97.9	+47.7
1892..	106.8	+27.7	100.7	—10.0	99.9	+44.7
1893..	101.7	+35.1	100.5	— 9.9	100.0	+44.6
1894..	90.2	+52.3	100.7	—10.0	97.6	+43.2
1895..	92.4	+48.7	100.3	— 9.7	98.4	+47.0
1896..	99.2	+38.5	99.2	— 8.7	99.9	+44.7
1897..	99.7	+37.8	98.6	— 8.1	101.3	+42.7
1898..	104.1	+32.0	98.1	— 7.6	102.8	+40.7
1899..	103.8	+25.1	97.5	— 7.1	105.3	+37.3
1900..	113.6	+21.0	95.5	— 5.1	109.9	+31.6
1901..	119.8	+14.7	94.4	— 4.0	114.5	+26.3
1902..	126.1	+ 9.0	92.6	— 2.2	121.1	+19.4
1903..	123.2	+11.5	91.8	— 1.3	126.8	+14.0
1904..	122.5	+12.2	91.3	— 0.8	129.7	+11.5
1905..	128.0	+ 7.3	91.2	— 0.7	132.2	+ 9.4
1906..	140.0	— 1.9	90.9	— 0.3	140.2	+ 3.1
1907..	137.4	-----	90.6	-----	144.6	-----

Our opponents, if triumphant, may be trusted to prove false to every principle which, during the last eight years, they have laid down as vital.—From President Roosevelt's speech of acceptance.

*Cigars.*

Year.	Employees.		Hours per week.		Wages per hour.	
	Relative Number.	Per cent of increase (+) or decrease (-) in 1907 as compared with year specified.	Relative Number.	Per cent of increase (+) or decrease (-) in 1907 as compared with year specified.	Relative.	Per cent of increase (+) or decrease (-) in 1907 as compared with year specified.
1890..	76.0	+53.4	100.1	-0.6	100.3	+32.0
1891..	85.2	+35.9	99.6	-0.1	100.6	+31.6
1892..	90.3	+29.1	99.2	+0.3	99.6	+32.9
1893..	100	+16.0	99.7	-0.2	100.0	+32.4
1894..	100.5	+12.7	99.9	-0.1	99.0	+33.7
1895..	109.9	+6.1	99.8	-0.3	97.2	+36.2
1896..	95.2	+22.5	100.4	-0.9	98.6	+34.3
1897..	107.4	+8.6	100.0	-0.5	102.4	+29.3
1898..	107.7	+8.3	100.3	-0.8	101.1	+31.0
1899..	119.9	-2.8	101.0	-1.5	101.3	+30.7
1900..	93.9	+24.2	99.8	-0.3	109.8	+31.3
1901..	106.1	+9.0	100.6	-1.1	112.5	+17.7
1902..	116.0	+0.5	100.9	-1.4	110.0	+20.4
1903..	118.8	-1.9	101.4	-1.9	116.9	+13.3
1904..	118.1	-1.3	100.4	-0.9	119.0	+11.3
1905..	123.5	-5.6	103.1	-0.6	120.9	+9.5
1906..	116.6		99.7	-0.2	131.1	+1.0
1907..	116.6		99.5		132.4	

*Cotton goods.*

1890..	87.7	+39.5	99.9	-3.1	102.8	+53.2
1891..	96.3	+24.4	100.7	-3.9	98.9	+59.3
1892..	95.8	+27.7	101.2	-4.3	100.3	+57.0
1893..	96.2	+24.5	99.9	-3.1	103.6	+52.0
1894..	96.1	+27.3	98.6	-1.8	96.9	+62.5
1895..	91.9	+28.9	100.0	-3.2	96.9	+62.5
1896..	96.8	+23.8	99.5	-2.7	104.9	+50.1
1897..	101.6	+18.9	99.4	-2.6	101.2	+55.6
1898..	112.5	+8.7	100.3	-3.5	97.4	+61.7
1899..	112.1	+9.1	100.4	-3.6	97.3	+61.9
1900..	115.5	+5.9	100.2	-3.4	107.2	+44.2
1901..	109.0	+12.2	100.0	-3.2	110.4	+42.7
1902..	117.2	+4.4	99.2	-2.4	116.2	+35.5
1903..	107.2	+14.1	99.0	-2.2	123.2	+27.8
1904..	105.3	+16.1	99.1	-2.3	117.7	+31.6
1905..	104.9	+16.6	99.1	-2.3	125.5	+25.5
1906..	117.5	+4.1	98.3	-1.5	131.5	+12.9
1907..	122.3		96.8		137.5	

*Iron and steel (bar.)*

1890..	99.4	-0.9	102.7	-4.7	110.3	+27.3
1891..	98.4	+0.1	101.6	-3.6	101.9	+33.8
1892..	98.3	+0.2	101.8	-3.8	103.0	+40.4
1893..	105.9	-7.0	101.4	-3.5	95.7	+46.7
1894..	100.2	-1.7	101.3	-3.4	90.1	+55.8
1895..	103.7	-5.0	100.7	-2.8	91.7	+53.1
1896..	93.9	+4.9	101.0	-3.1	93.3	+41.4
1897..	87.7	+0.8	97.1	+0.8	98.0	+43.3
1898..	97.7	-1.2	96.6	+1.3	96.3	+45.8
1899..	101.6	-3.1	15.9	+2.1	113.7	+23.5
1900..	108.9	-9.6	97.3	+0.6	118.2	+18.8
1901..	100.7	-2.2	98.4	-0.5	119.7	+17.3
1902..	104.1	-5.4	98.8	-0.9	132.8	+5.7
1903..	107.2	-9.8	98.4	-0.5	136.5	+2.9
1904..	100.2	-1.7	97.9		125.6	+11.8
1905..	103.6	-4.9	98.1	-0.2	126.9	+10.6
1906..	97.0	+1.5	97.9		137.7	+3.5
1907..	98.5		97.9		140.4	

taken all in all the preceding figures show that, as far as wages and employment are concerned, this country has never known such an era of prosperity as that which was inaugurated when the industry was enabled to adjust itself to the stable and conservative protective policy of a Republican administration. In modern times has employment been as secure, and wages as high, and never in the history of the country have wages been as high as during the past ten years.



## WAGES AND COST OF LIVING.

**Comparison of Day Wages with Retail Prices in 1896 and 1907.—A Day's Wages Will Buy More of the Requirements of Daily Life Now Than in 1896.—Labor Bureau Figures.**

A workman's earnings are measured only by their purchasing power when used in the supplying of his wants. An increase in wages is of no real benefit to the workman unless that increase enables him to buy more of the necessities of life than before.

This obvious truth, coupled with the undeniable rise in the market price of many articles of family consumption during recent years, has caused some persons to doubt the actual profit to the wage-earner of the higher rates of wages which have accompanied the increased cost of living.

Let us see what facts are disclosed by a careful and impartial study of the question. The United States Bureau of Labor has recently conducted a thorough investigation of the retail prices of food in connection with the wages paid in leading occupations. The results of this investigation are published in the bulletin of the Bureau of Labor for July, 1908, and are thus the very latest available data on the subject. The price data collected by the Bureau were secured by its agents directly from the books of over 1,000 retail merchants whose patrons largely belong to the class of small consumers covering actual sales in all parts of the country. The figures may, therefore, be considered thoroughly representative as well as trustworthy.

A comparative study of the price figures and those for wages given in the preceding article shows that the increased hourly wages of bricklayers, carpenters, hod carriers, iron moulders, laborers, stone masons, house painters, plasterers, plumbers, stone cutters, etc., have not only kept pace with food prices, but that their purchasing power, when measured by retail prices of food, was greater in 1907 than in any other year of the series with the exception of 1906 alone.

Even if wages and prices had increased in the same proportion it must not be forgotten that with such higher wages and prices the difference between the income and expenditures is greater in actual dollars and cents. For instance, if a workman earned \$800 in 1896 and expended \$700 he would have saved \$100. If in 1907 both the wages and the prices had increased 25 per cent his wages would then be \$1,000, and his expenditures \$875, and his savings, in consequence, would be \$125. As a matter of fact, however, with the exception of 1907 alone, wage rates in all the leading occupations have increased more than prices, and not only have the wage rates increased, but those employed have had much more constant employment in 1907 than 1896.

In the Bureau of Labor report the average price of each commodity as a whole could not be stated in dollars and cents because the articles for which retail prices were shown vary more or less as to kind and quality in different localities. The averages have, therefore, been computed on a percentage represented as 100, or the base, the prices from year to year being indicated by relative figures.

These relative figures consist of a series of percentages showing the per cent the price in each year was of the average price for the ten-year period from 1890 to 1899. This average for the ten-year period was selected as the base because it represented the average conditions more nearly than the price in any one year which might be selected as a base for all articles. The following table shows the relative price of the 30 principal articles of food, considered in the Bureau of Labor Bulletin. In order to make clear the manner of using the relative figures we take, for example, the column showing the figures for "beef, fresh, roasts." It is seen that the price in 1890 was 99.5 per cent of the average price for the period from 1890 to 1899. In 1891 the price was exactly the average price for the ten-year period—that is, 100.0. The lowest point reached was in 1894, when the price was 98.3 per cent of the average price for the ten-year period. The highest point reached was

in 1907 when it stood at 119.1, or 19.1 per cent higher than the average price for the base period, 1890 to 1899. In 1903, 1904 and 1905, a considerable decline from the price in 1902 is seen, the relative price for the last-named year being 112.2, or 12.2 per cent higher than the price for the base period. The table follows:

*Relative retail prices of the principal articles of food in the United States, 1890 to 1907.*

[Average price for 1890-1899=100.0.]

Year.	Apples, evaporated.	Beans, dry.	Beef, fresh, roasts.	Beef, fresh, steaks.	Beef, salt.	Bread, wheat.	Butter.	Cheese.	Chicken (full grown), dressed.	Coffee.
1890	100.0	103.3	99.5	98.5	97.5	100.3	99.2	98.8	101.8	105.4
1891	110.3	106.2	100.0	99.1	98.3	100.3	106.4	100.3	101.0	105.2
1892	99.3	102.4	99.6	93.3	99.5	100.3	106.8	101.5	103.8	103.8
1893	107.0	105.0	99.0	99.6	100.3	100.1	103.9	101.8	104.2	104.8
1894	105.8	102.8	98.3	98.2	98.9	99.0	101.7	101.6	98.6	103.3
1895	97.4	103.5	98.6	99.1	99.6	92.7	97.0	99.2	95.4	101.7
1896	88.6	92.7	99.1	97.5	93.8	97.0	92.7	97.9	97.1	99.6
1897	87.8	91.5	100.3	100.2	100.9	100.0	93.1	99.0	94.0	94.6
1898	95.4	95.9	101.7	102.0	102.1	99.8	95.1	97.5	96.8	91.1
1899	97.5	99.7	133.7	103.9	103.2	99.6	97.7	102.4	101.8	90.5
1900	95.2	110.0	103.5	103.4	103.7	99.7	101.4	103.9	100.8	91.1
1901	96.8	113.9	110.7	111.0	106.1	99.4	103.2	103.3	103.0	90.7
1902	104.4	116.8	118.6	118.5	119.0	99.4	111.5	107.3	113.2	89.6
1903	100.8	118.1	113.1	112.9	108.8	100.2	110.8	109.4	118.5	89.3
1904	99.2	116.8	112.8	113.4	103.3	103.9	109.0	107.4	120.7	91.8
1905	106.0	116.3	112.2	112.9	107.9	104.5	112.7	110.9	123.6	93.6
1906	115.6	115.2	115.7	116.5	110.8	102.3	118.2	115.5	129.1	94.7
1907	124.6	118.8	119.1	120.6	114.1	104.5	127.6	123.2	131.4	95.0

Year.	Corn meal.	Eggs.	Fish, fresh.	Fish, salt.	Flour, wheat.	Lard.	Milk, fresh, unskimmed.	Molluscs.	Mutton.	Pork, fresh.
1890	100.0	100.6	97.3	107.7	109.7	98.2	100.5	104.7	100.7	97.0
1891	109.7	106.9	99.6	101.7	112.5	99.8	100.5	101.7	109.6	98.7
1892	105.2	106.8	100.1	102.2	105.1	103.6	100.6	101.2	107.0	100.5
1893	103.1	108.1	100.1	103.4	96.1	117.9	100.4	100.6	99.9	107.0
1894	102.2	96.3	100.4	101.5	88.7	106.9	100.2	100.3	97.8	101.8
1895	100.8	99.3	99.8	98.9	89.0	100.1	100.0	99.0	98.7	99.7
1896	95.0	92.8	100.2	97.5	92.7	92.5	99.9	98.7	98.7	97.4
1897	93.7	91.4	99.8	97.2	104.3	89.8	99.7	97.7	99.6	97.6
1898	95.0	96.2	101.5	95.8	107.4	93.9	97.4	97.9	100.4	98.6
1899	95.1	101.1	100.2	103.2	94.6	97.1	98.9	98.2	102.6	101.7
1900	97.4	99.9	100.4	99.1	94.3	104.4	99.9	102.2	105.6	107.7
1901	107.1	105.7	101.4	100.9	94.4	118.1	101.1	101.3	109.0	117.9
1902	118.8	119.1	105.0	102.8	94.9	134.3	103.3	102.1	114.7	128.3
1903	120.7	125.3	107.3	108.4	101.2	126.7	105.8	103.8	112.6	127.0
1904	121.5	130.9	107.9	111.7	119.9	117.3	106.3	104.0	114.1	124.0
1905	122.2	131.6	109.9	113.8	119.9	116.6	107.0	104.4	117.8	126.6
1906	123.2	131.2	116.2	115.8	108.1	128.0	108.9	105.3	124.1	137.7
1907	131.6	137.7	120.6	121.6	117.7	134.2	116.8	107.7	130.1	142.5

This is not and never shall be a government of plutocracy; it is not and never shall be a government by a mob.—President Roosevelt at Butte, Mont., May 27, 1903.

Our workshops never were so busy, our trade at home was never so large, and our foreign trade exceeds that of any like period in all our history.—President McKinley at Chicago, Oct. 10, 1899.

The Rate law does not go far enough. The practice under it has already disclosed the necessity for new amendments and will doubtless suggest more. Such is the true method—the empirical and tentative method—of securing proper remedies for a new evil.—Hon. Wm. H. Taft, at Columbus, Ohio.



*Relative retail prices of the principal articles of food in the United States, 1890 to 1907—Continued.*

Year.	Pork, salt, bacon.	Pork, salt, dry or pickled.	Pork, salt, ham.	Potatoes, Irish.	Prunes.	Rice.	Sugar.	Tea.	Veal.	Vinegar.
1890	95.8	95.3	98.7	109.3	116.8	101.3	118.6	100.0	98.8	102.9
1891	96.6	98.9	99.3	116.6	115.5	102.5	102.7	100.4	99.6	105.5
1892	99.1	100.5	101.9	95.7	113.5	101.3	93.2	100.2	100.0	102.7
1893	101.0	108.7	103.3	112.3	115.6	95.4	101.5	100.1	100.0	99.5
1894	103.6	103.4	101.9	102.6	100.9	99.0	93.8	98.7	98.7	99.8
1895	99.4	99.2	98.8	91.8	94.2	98.8	91.8	98.5	98.5	96.9
1896	96.7	95.5	97.6	77.0	86.8	96.7	96.6	98.8	99.5	97.2
1897	97.4	97.3	98.2	93.0	84.3	97.9	95.7	98.5	99.9	97.4
1898	100.2	99.1	95.1	105.4	86.3	101.7	101.3	100.7	101.2	97.9
1899	102.9	101.8	99.2	96.1	85.1	102.4	101.7	104.4	108.7	98.3
1900	103.7	107.7	105.3	93.5	83.0	102.4	104.9	105.5	104.9	98.5
1901	121.0	117.5	110.2	116.8	82.6	101.5	103.0	103.7	108.8	98.9
1902	135.6	132.5	119.4	117.0	83.4	101.5	96.0	107.2	115.2	99.5
1903	139.8	129.0	121.3	114.8	89.2	103.9	96.1	106.0	114.9	99.1
1904	137.9	125.8	118.4	121.3	79.6	101.6	101.9	105.8	115.5	98.0
1905	134.8	126.0	118.5	110.2	81.4	102.6	103.9	105.7	117.7	100.3
1906	152.4	136.9	127.2	111.4	85.1	105.7	98.2	105.5	123.2	102.6
1907	157.3	141.2	130.7	120.6	88.4	105.5	99.6	105.3	125.0	104.5

The following table shows the relative wages per hour, the relative retail prices of food, and the relative purchasing power of hourly wages when measured by retail prices of food, for each year from 1890 to 1907. The prices are "weighted" according to the importance of each article in family consumption, the degree of importance having been determined by a special inquiry covering over 2,500 families. In the computation of a "simple average" for all food the same importance is given to each article, flour, for example, being given the same weight as cheese. To overcome the unfairness of such an average, the exact quantity of each commodity of food used was ascertained and each commodity was then given its proper importance as an article of consumption. The result is the "weighted" average given. It should be stated in this connection, however, that the "weighted" average as shown does not differ materially from the simple average.

*Relative wages per hour, retail prices of food, and purchasing power of hourly wages, measured by retail prices of food, 1890 to 1907.*

[Relative numbers computed on basis of average for 1890-1899=100.0.]

Year.	Wages per hour.	Retail prices of food weighted according to family consumption.	Purchasing power of hourly wages measured by retail prices of food.
1890	100.3	102.4	97.9
1891	100.3	103.8	96.6
1892	100.8	101.9	98.9
1893	100.9	104.4	96.6
1894	97.9	99.7	98.2
1895	98.3	97.8	100.5
1896	99.7	95.5	104.4
1897	99.6	96.3	108.4
1898	100.2	98.7	101.5
1899	102.0	99.5	102.5
1900	105.5	101.1	104.4
1901	108.0	105.2	102.7
1902	112.2	110.9	101.2
1903	116.3	110.3	105.4
1904	117.0	111.7	104.7
1905	118.9	112.4	105.8
1906	124.2	115.7	107.3
1907	128.8	120.6	106.8

The method of using the relative figures has already been explained. The important facts disclosed by this table are that wages per hour and retail prices of food weighted according to family consumption were both higher in 1907 than in any other year of the eighteen-year period and that the increase in wages,

as compared with the average for 1890 to 1899, was 8.2 per cent greater than the increase in prices of food. As compared with 1896, the year of lowest prices, the increase of wages was from 99.7 to 128.8, or 29.2 per cent, while the increase in food prices was from 99.5 to 120.6, or 26.3 per cent. Again, the purchasing power of an hour's wages measured by retail prices of food was 104.4 in 1896 and 106.8 in 1907, a difference of 2.4, or 2.3 per cent, in favor of the latter year.

The changes in the cost of living, as shown by the bulletin of the Bureau of Labor, relate to food alone, representing 42.54 per cent of all family expenditures in the 2,567 families furnishing information. With respect to the remaining articles of expenditure in the average workingman's family, a preceding number of the bulletin states that they are, from their nature, affected only indirectly and in very slight degree by any rise or fall in prices. Such are payments on account of principal and interest of mortgage, taxes, property and life insurance, labor and other organization fees, religion, charity, books and newspapers, amusements and vacations, intoxicating liquors, and sickness and death. These together constituted 14.51 per cent of the family expenditure in 1901 of the 2,567 families investigated. Miscellaneous purposes, not reported, for which, from their very character, no prices are obtainable, made up 5.87 per cent, and rent, for which also no prices for the several years are available, made up 12.95 per cent. The remaining classes of family expenditure, 24.13 per cent of all, consist of clothing 14.04 per cent, fuel and lighting 5.25 per cent, furniture and utensils 3.42 per cent, and tobacco 1.42 per cent. For these no retail prices covering a series of years are available, but it is probable that the advance of the retail prices was considerably less than the advance in wholesale prices, as the advance in wholesale prices of articles of food in 1907, as compared with 1896, was 40.6 per cent, while the advance in the retail prices of similar articles or groups of articles, as shown by the results of this investigation, was but 26 per cent. An examination of the relative wholesale prices of these classes of articles in Bulletin No. 75, giving them their proper weight according to family consumption, leads to the conclusion that the retail prices of these articles as a whole in 1907 could have been but little, if at all, above the level indicated for food.

If all classes of family expenditures as above be taken into consideration, it is apparently a safe and conservative conclusion that the increase in the cost of living as a whole, in 1907, when compared with the year of lowest prices, was less than 26 per cent; the figures given above as the increase in the cost of food as shown by this investigation. It is shown on the succeeding pages that the increase in wages in 1907 over the year of lowest wages, as shown by the same bulletin of the Bureau of Labor, WAS GREATER THAN THE INCREASE IN COST OF LIVING, BEING 31.6 PER CENT.

#### **Wages Have Advanced More Than Prices.**

A comparison of the table showing prices with that on another page, entitled "Per cent of increase or decrease in the relative wages per hour in 15 leading occupations in 1907, compared with each preceding year," discloses the following interesting facts:

Bricklayers' wages advanced 42.3 per cent from 1896 to 1907; carpenters' wages, 52.5 per cent; hod-carriers' wages, 35.5 per cent; iron moulders' wages, 28.0 per cent; building laborers' wages, 31.8 per cent; stone masons' wages 42.4 per cent; painters' wages, 43.1 per cent; plasterers' wages, 53.8 per cent; plumbers' wages, 47.5 per cent; stone cutters' wages, 27.8 per cent; structural iron workers' wages, 95.2 per cent, etc., while during the same period the retail prices of fresh beef roasts increased 20.2 per cent; beef steaks, 21.2 per cent; salt beef, 14.3 per cent; bread, 4.6 per cent; butter, 37.6 per cent; cheese, 25.8 per cent; coffee decreased 4.6 per cent; fresh fish increased 20.4 per cent; salt fish, 24.7 per cent; wheat flour, 27.0 per cent; fresh milk, 16.9 per cent; molasses, 9.1 per cent; rice, 12.2 per cent; sugar, 3.1 per cent, and tea, 6.6 per cent. All food of ordinary consumption has increased an



average of 26 per cent; pork products, which are included in this general average, advanced from 33.9 to 62.7 per cent, owing to the high price of hogs, the wholesale price of which advanced 77.8 per cent during the same period, as is shown in the chapter on the exchange value of farm products.

By measuring the purchasing power of an hour's wages of these various articles of food in 1896 and in 1907, a very interesting result is obtained.

In the case of a *bricklayer*, it shows that for an hour's wages in 1907, as compared with an hour's wages in 1896, he could buy 18.5 per cent more beef roasts; 17.5 per cent more beef steak; 24.6 per cent more salt beef; 36.2 per cent more wheat bread; 3.5 per cent more butter; 13.2 per cent more cheese; 49.4 per cent more coffee; 18.3 per cent more fresh fish; 14.3 per cent more salt fish; 7.4 per cent more wheat flour; 30.9 per cent more fresh milk; 30.6 per cent more molasses; 27 per cent more rice; 38.4 per cent more sugar, and 33.7 per cent more tea.

A *carpenter* could buy for an hour's wages in 1907, as compared with 1896, 26.9 per cent more beef roasts; 25.8 per cent more beef steak; 33.4 per cent more salt beef; 45.8 per cent more wheat bread; 10.8 per cent more butter; 21.2 per cent more cheese; 59.9 per cent more coffee; 26.7 per cent more fresh fish; 21.3 per cent more salt fish; 20.1 per cent more wheat flour; 30.5 per cent more fresh milk; 39.1 per cent more molasses; 35.9 per cent more rice; 47.9 per cent more sugar, and 43.1 per cent more tea.

A *day laborer* could buy for an hour's wages in 1907, as compared with 1896, 9.7 per cent more beef roasts; 8.7 per cent more beef steak; 15.3 per cent more salt beef; 26 per cent more wheat bread; 4.7 per cent more cheese; 38.6 per cent more coffee; 9.5 per cent more fresh fish; 5.7 per cent more salt fish; 3.7 per cent more wheat flour; 12.7 per cent more fresh milk; 20.9 per cent more molasses; 17.5 per cent more rice; 27.9 per cent more sugar, and 23.7 per cent more tea.

A *painter* could buy for an hour's wages in 1907, as compared with 1896, 19.1 per cent more beef roasts; 18.1 per cent more beef steak; 24.6 per cent more salt beef; 36.8 per cent more wheat bread; 4 per cent more butter; 13.7 per cent more cheese; 49.9 per cent more coffee; 18.9 per cent more fresh fish; 14.6 per cent more salt fish; 12.7 per cent more wheat flour; 22.4 per cent more fresh milk; 31.2 per cent more molasses; 27.6 per cent more rice; 38.9 per cent more sugar, and 34.3 per cent more tea.

An *iron moulder* could buy for an hour's wages in 1907, as compared with 1896, 6.5 per cent more beef roasts; 5.6 per cent more beef steak; 12 per cent more salt beef; 2.2 per cent more wheat bread; 1.7 per cent more cheese; 34.2 per cent more coffee; 6.4 per cent more fresh fish; 2.7 per cent more salt fish; 0.8 per cent more wheat flour; 9.5 per cent more fresh milk; 17.3 per cent more molasses; 14.1 per cent more rice; 24.2 per cent more sugar, and 20.4 per cent more tea.

A *plumber* could buy for an hour's wages in 1907, as compared with 1896, 24.8 per cent more beef roasts; 23.7 per cent more beef steak; 31.1 per cent more salt beef; 43.3 per cent more wheat bread; 9 per cent more butter; 19.2 per cent more cheese; 57.3 per cent more coffee; 24.7 per cent more fresh fish; 20.3 per cent more salt fish; 18.2 per cent more wheat flour; 28.2 per cent more fresh milk; 37.5 per cent more molasses; 32.9 per cent more rice; 45.4 per cent more sugar, and 40.8 per cent more tea.

A *stone cutter* could buy for an hour's wages in 1907, as compared with 1896, 6.3 per cent more beef roasts; 5.4 per cent more beef steak; 11.8 per cent more salt beef; 22.1 per cent more wheat bread; 1.5 per cent more cheese; 34 per cent more coffee; 6.2 per cent more fresh fish; 2.4 per cent more salt fish; 0.6 per cent more wheat flour; 9.3 per cent more fresh milk; 17.1 per cent more molasses; 13.9 per cent more rice; 23.9 per cent more sugar, and 19.9 per cent more tea.

A *stone mason* could buy for an hour's wages in 1907, as compared with 1896, 18.6 per cent more beef roasts; 17.5 per



the *per cent* of increase in employees at work in 1907 over the number shown for 1894 would doubtless be double that given by the Bureau of Labor in the table.

Second—*Working Hours*.—As regards hours of work in the establishments covered, it is seen that almost without a halt the work-day has gradually been shortened during the period. The average hours worked per week in 1907 were 5.7 per cent less than in 1890; 5.1 per cent less than in 1895; 3.7 per cent less than in 1900, and .4 per cent less than in 1906. The general betterment of industrial conditions is nowhere better shown than in the figures which indicate that slowly but surely the hours of labor are decreasing and a consequently longer time is afforded the workmen for rest, recreation, and improvement.

Third—*Hourly Wages*.—The table shows quite conclusively the reduction in wages during the years of depression and the gradual and rapid increase year by year since 1896. It is seen that the hourly wages in 1907 were 28.4 per cent higher than in 1890; they were in 1907 31.6 per cent higher than in 1894, the year of lowest wages; they were 31 per cent higher than in 1895, and 29.2 per cent higher than in 1896, etc. It is most interesting to note the steady and strong tendency towards higher wages during the last ten years, nor should the fact be overlooked that the wages of 1907, the last year covered, were higher than in any previous year, being 3.7 per cent higher than the year 1906. The figures do not in any way indicate that a retrograde movement has begun.

Fourth—*Weekly Earnings per Employee*.—It has been stated that while hourly wages have increased greatly the daily hours of work have gradually decreased. While the decrease in hours has doubtless been due to the movement of workmen themselves for a shorter work-day, it should be noted also that when the decrease in hours per week is taken in connection with the increase in wages the resulting weekly earnings still show a marked increase in 1907 over preceding years. For example, the weekly earnings in 1907 were 25.3 per cent greater than in 1894; 24.4 per cent greater than in 1895, etc., etc. While the increase as shown above is quite considerable, it should be remembered that it does not by any means indicate the conditions as to weekly, monthly, or annual earnings in 1907, as compared with the years of depression, inasmuch as the figures given are based on the presumption that each employee worked full time. While figures are not available showing the extent to which establishments worked "half-time" or "three-quarter time" during the years of depression, or closed down entirely, it is safe to say that were it possible to compare average weekly, monthly, or yearly earnings in 1907 with those for 1894, 1895, and 1896, the per cent of increase in 1907 over the latter years would be much greater than that shown in the Bulletin of the Bureau of Labor.

Fifth—*Retail Prices of Food*.—As previously indicated, the figures given in this column are stated by the Bureau of Labor to fairly represent not only the trend of cost of living so far as food is concerned, but also to mark the possible limits of advance and decline in the cost of all articles of family consumption. The results are especially important as they are derived from a most comprehensive investigation into retail prices covering a long series of years. Heretofore wholesale prices have been used to indicate the trend of cost of living, although it was recognized that they were more sensitive to conditions than retail prices, that their fluctuations were considerably greater, and that they could not be used to indicate even approximately the extent of increase or decrease from year to year in the cost of living. The collection of retail prices which forms the basis of the figures in the table is, therefore, of great value as indicating with great exactness the cost of living based on prices actually paid by the small consumer. It is seen that the cost of living increased in 1907 over the year of lowest prices, 1896, not more than 26.3 per cent; over 1897, 25.2 per cent; over 1898, 22.2 per cent; etc., etc.

Sixth—*Purchasing Power of Wages*.—The last two columns of the table show the percentages representing the purchasing



power of wages. The first of the two columns shows the facts for hourly wages, while the second shows those for weekly earnings. Considering the retail prices of food or cost of living in connection with hourly wages, it is shown that the purchasing power of hourly wages in 1907 was 10.6 per cent greater than in 1893; 8.8 per cent greater than in 1894; 6.3 per cent greater than in 1895; 2.3 per cent greater than in 1896, etc., etc. In other words, an hour's wages in 1907 would purchase 10.6 per cent more of the commodities and articles entering into the cost of living of the workingman's family than would an hour's wages in 1893, etc. The last column, which does not present so accurate a figure for reasons stated previously in connection with weekly earnings confirms the conclusion justified by the preceding column that, considering both wages and cost of living, the workingman has benefited to a measurable degree from the increase in wages despite the increase in cost of living and shortening of work hours.

When it is remembered, also, that the betterment of industrial conditions has been greater than the figures indicate in some cases, as previously explained, that it has extended in many directions not covered by the figures and not even susceptible of demonstration by the statistical method, and that the savings of the workman during a period of high wages, although accompanied by high prices, is considerably greater than during a period of depression, it seems a safe and conservative conclusion that at no time in the history of this or any other country has there been an era of prosperity so productive of material benefit to both the workingman and the employer as the last twelve years of Republican rule.

#### WAGES IN THE UNITED STATES AND IN GREAT BRITAIN.

A comparison of wage conditions in the United States with those of our free-trade neighbor, Great Britain, is interesting. It is said that in no country is labor better organized than in Great Britain. Organized labor has therefore exerted at least as great an influence for higher wages there as it has in this country. Industrial conditions, under free trade, have, however, made it impossible for employers of labor to pay anything like the wages received by American workingmen.

At the same time that the figures relating to wages in 1903 were being collected in this country, a special agent of the United States Bureau of Labor visited Great Britain for the purpose of obtaining wage statistics from the pay rolls of British industrial establishments doing business continuously during the period from 1890 to 1903, so that statistics might be obtained for that country that are entirely comparable with those gathered in the United States.

The following table, which was compiled from the July, 1904, Bulletin of the Federal Bureau of Labor, shows the general results of this investigation abroad as compared with the figures obtained for this country:

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There are more than twenty-five thousand local labor unions in the United States, with a membership of more than two millions. What infinite good can be accomplished by this mighty army of peace and industry if held true to its opportunity.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

You ask me what I think of a provision that no restraining order or injunction shall issue except after notice to the defendant and a hearing had. This was the rule under the Federal statutes for many years, but was subsequently abolished. In the class of cases to which you refer I do not see any objection to the re-enactment of that Federal statute. Indeed, I have taken occasion to say in public speeches that the power to issue injunction *ex parte* has given rise to certain abuses and injustice to the laborers in a peaceable strike.—Hon. Wm. H. Taft, in correspondence with President Llewellyn Lewis, of the Ohio Federation of Labor.



## WAGES AND COST OF LIVING.

Year.	Blacksmiths.		Boilermakers.		Brick, &c.		Carpenters.		Hod carriers.		Iron molders.		
	United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.	
1860.	\$0.2077	\$0.1652	\$0.2594	\$0.1305	\$0.4316	\$0.1757	\$0.2715	\$0.1600	\$0.1572	\$0.3250	\$0.1217	\$0.2540	
1861.	2681	1650	2577	1603	4305	1791	2730	1757	1051	3218	1217	2545	
1862.	2672	1671	2585	1582	4381	1855	2825	1751	1089	3241	1250	2545	
1863.	2677	1654	2583	1616	4466	1875	2741	1791	1063	3232	1240	2554	
1864.	2611	1674	2614	1639	4385	1850	2673	1791	1093	3235	1251	2583	
1865.	2602	1689	2629	1645	4367	1842	2692	1825	1080	3230	1318	2600	
1866.	2605	1680	2626	1637	4357	1837	2710	1803	1085	3250	1250	2600	
1867.	2601	1716	2620	1683	4337	1940	2748	1906	1095	3255	1250	2600	
1868.	2607	1740	2607	1677	4301	1961	2740	1920	1097	3252	1250	2600	
1869.	2587	1717	2617	1727	4381	1991	2760	1920	1097	3252	1250	2600	
1870.	2637	1770	2605	1744	4371	2028	2839	1994	1099	3218	1250	2600	
1871.	2637	1770	2605	1809	4371	2028	3019	2028	1099	3218	1250	2600	
1872.	2757	1722	2704	1735	4912	1994	3190	2028	1242	3218	1250	2600	
1873.	2844	1737	2800	1737	5313	2032	3102	2028	1242	3218	1250	2600	
1874.	2862	1749	2818	1719	5171	2062	3154	2028	1242	3218	1250	2600	
Year.		Laborers, General.		Machinist.		Painters, house.		Plumbers.		Stone cutters.		Stone masons.	
		United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.	United States.	Great Britain.
		\$0.1507	\$0.0948	\$0.2413	\$0.1531	\$0.2689	\$0.1554	\$0.3461	\$0.1777	\$0.3730	\$0.1689	\$0.3722	\$0.1774
		1511	0981	2435	1594	2712	1605	3468	1767	3803	1723	3732	1806
		1519	0950	2459	1590	2747	1639	3511	1831	3780	1791	3873	1842
		1493	0954	2450	1595	2765	1639	3532	1825	3618	1859	3644	1910
		1419	0955	2347	1588	2737	1639	3515	1825	3693	1859	3440	1910
		1410	0950	2347	1590	2720	1646	3746	1872	3811	1840	3549	1913
		1445	0958	2397	1607	2742	1656	3705	1926	3850	1840	3547	1977
		1445	0975	2397	1603	1907	2778	1689	3708	1960	3924	1833	3628
1468	0997	2377	1654	2857	2778	1723	3638	1960	3767	1900	3681		
1467	1015	2317	1685	2892	2827	1757	3684	1960	3767	1900	3710		
1461	1022	2185	1684	3051	2751	1757	3811	2027	3823	1930	3788		
1385	1028	2575	1697	1971	3170	1757	3895	2027	3823	1930	3788		
1092	1032	2616	1691	1991	3303	1774	3895	2027	3823	1930	3788		
1062	1042	2616	1691	1991	3303	1774	3895	2027	3823	1930	3788		
1062	1042	2616	1691	1991	3303	1774	3895	2027	3823	1930	3788		
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1062	1042	2616	1691	1991	3303	1774	3895	2027	3823	1930	3788		
1062	1042	2616	1691	1991	3303	1774	3895	2027	3823	1930	3788		
1062	1042	2616	1691	1991	3303	1774	3895	2027	3823	1930	3788		
1062	1042	2616	1691	1991	3303	1774	3895	2027	3823	1930	3788		
1062	1												

These statistics show a remarkable difference between wage conditions in the United States and in Great Britain. During the 14-year period from 1890 to 1903 the average wage returns for each year as shown in the table, range as follows: Blacksmiths, in the United States, \$0.26 to 0.29½, and in Great Britain \$0.16½ to 17½ per hour; boilermakers, in the United States, \$0.26 to \$0.28½, and in Great Britain \$0.16 to 0.17½ per hour; bricklayers, in the United States, \$0.43 to 0.54½, and in Great Britain \$0.17½ to 0.20½ per hour; carpenters, in the United States, \$0.27 to 0.36, and in Great Britain \$0.17 to \$0.20½ per hour; compositors, in the United States, \$0.38 to 0.44½, and in Great Britain \$0.15½ to 0.18 per hour; hodcarriers, in the United States, \$0.22½ to 0.28½, and in Great Britain \$0.12 to 0.13 per hour; iron moulders, in the United States, \$0.24½ to 0.30½, and in Great Britain \$0.17 to 0.18 per hour; general laborers, in the United States, \$0.14 to 0.17, and in Great Britain \$0.09½ to 0.10½ per hour; machinists, in the United States, \$0.23½ to 0.27, and

in Great Britain \$0.15½ to 0.17 per hour; house painters, in the United States, \$0.27 to 0.34½, and in Great Britain \$0.15½ to 0.17½ per hour; plumbers, in the United States, \$0.34½ to 0.43½, and in Great Britain \$0.17½ to 0.20½ per hour; stone cutters, in the United States, \$0.34½ to 0.42, and in Great Britain \$0.17 to 0.20 per hour; stone masons, in the United States, \$0.34½ to 0.45, and in Great Britain \$0.17½ to 0.21 per hour.

The claim is sometimes made that the increased wages in this country since the years of depression (1893 to 1897) were accompanied by like increases in Great Britain. That this is not the case can be shown by examining the following table, in which the wages in 1896 and in 1903 and the percentage of increase in the United States and in Great Britain during that period are placed side by side:

*Wages in the United States and Great Britain in 1896 and 1903.*

[Compiled from Bulletin No. 51, United States Bureau of Labor.]

Occupation.	Wages per hour.					
	United States.			Great Britain.		
	1896.	1903.	Per cent increase.	1896.	1903.	Per cent increase.
Blacksmiths.....	\$0.2643	\$0.2962	12.1	\$0.1716	\$0.1740	1.4
Boilermakers.....	.2626	.28 8	8.5	.1683	.1719	2.1
Bricklayers.....	.4337	.5171	26.1	.1960	.2032	5.2
Carpenters.....	.27 0	.3594	31.2	.1893	.2028	7.1
Compositors.....	.3897	.4467	14.6	.1645	.1765	5.9
Hod carriers.....	.2335	.2864	22.6	.1250	.1250	0.0
Iron moulders.....	.2507	.3036	21.1	.1698	.1787	5.9
Laborers, genera.....	.1415	.1676	18.4	.0958	.1019	6.4
Machinists.....	.2447	.2700	12.6	.1607	.1677	4.4
Painters, house.....	.2712	.3150	26.5	.1656	.1774	7.1
Plumbers.....	.3535	.4371	25.8	.1926	.2027	5.2
Stone cutters.....	.3590	.4225	21.7	.1893	.1994	5.3
Stone masons.....	.3547	.4486	17.7	.1977	.2078	5.1

The tendency of wages in all industrial countries is to increase gradually from year to year except at times of industrial depression, and while such a normal increase is noticeable in the figures for Great Britain from 1896 to 1903, the figures for the United States during this period plainly show that the increase here has been phenomenal. Thus, while from 1896 to 1903 the wages of blacksmiths increased 1.4 per cent in Great Britain they increased 12.1 per cent in the United States; the wages of boiler makers increased 2.1 per cent in Great Britain and 8.5 per cent in the United States; the wages of bricklayers increased 5.2 per cent in Great Britain and 26.1 per cent in the United States; the wages of carpenters increased 7.1 per cent in Great Britain and 31.2 per cent in the United States; the wages of compositors increased 5.9 per cent in Great Britain and 14.6 per cent in the United States; the wages of hod carriers showed no change in Great Britain and increased 22.6 per cent in the United States; the wages of iron moulders increased 5.9 per cent in Great Britain and 21.1 per cent in the United States; the wages of general laborers increased 6.4 per cent in Great Britain and 18.4 per cent in the United States; the wages of machinists increased 4.4 per cent in Great Britain and 12.6 per cent in the United States; the wages of house painters increased 7.1 per cent in Great Britain and 26.5 per cent in the United States; the wages of plumbers increased 5.2 per cent in Great Britain and 25.8 per cent in the United States; the wages of stone cutters increased 5.3 per cent in Great Britain and 21.7 per cent in the United States; and the wages of stone masons increased 5.1 per cent in Great Britain while they increased 17.7 per cent in the United States.

Thus, while the percentage of increase in these 13 occupations ranged from 0.0 to 7.1 per cent in Great Britain, it ranged from 8.5 per cent to 31.2 per cent in the United States.

More recent figures showing the difference in wages in this country and in Great Britain are contained in the two follow-



ing tables. The data for the United States are taken from the July, 1907, Bulletin of the Federal Bureau of Labor, and represent the average wages per hour and hours of work per week in the occupations and cities specified. The figures for the three cities of Great Britain are found in a report published by the British Board of Trade, Labor Department, in November, 1906, and are the standard wage rate per hour and hours of labor per week observed in the several localities at the date mentioned. All of the six occupations for which the facts are shown belong to the building trades.

*Average wages per hour and hours of labor per week in three representative American cities in 1906.*

[Compiled from Bulletin No. 71, United States Bureau of Labor.]

Occupation.	Average wages per hour.			Average hours per week.		
	New York.	Balti- more.	Chi- cago.	New York.	Balti- more.	Chi- cago.
Bricklayers.....	\$0.7000	\$0.6365	\$0.6265	44.00	48.00	45.24
Carpenters.....	.5746	.4085	.5500	44.00	48.00	44.00
Laborers.....	.2007	.1802	.2939	50.38	53.66	50.90
Painters.....	.4895	.3750	.4811	44.10	48.00	44.00
Plasterers.....	.6875	.6250	.6875	44.00	48.00	44.00
Plumbers.....	.5945	.4094	.5625	44.00	48.00	44.00

*Standard wages per hour and hours of labor per week in three representative cities of Great Britain on October 1, 1906.*

[Compiled from Standard Time Rates of Wages in the United Kingdom at 1st October, 1906—Board of Trade (Labour Department).]

Occupation.	Standard wages per hour.			Standard hours per week.		
	Lon- don.	Man- chester.	Glas- gow.	Lon- don.	Man- chester.	Glas- gow.
Bricklayers.....	\$0.2129	\$0.2027	\$0.1926	50.00	51.50	51.00
Carpenters.....	.2129	.1926	.1926	50.00	49.50	51.00
Laborers.....	.1419	.1216	.1216	50.00	52.00	51.00
Painters.....	.1825	.1774	.1825	50.00	52.00	51.00
Plasterers.....	.2230	.2027	.1926	50.00	52.00	51.00
Plumbers.....	.2230	.1926	.1825	50.00	49.50	51.00

The *New York Journal of Commerce* (Democratic) recently printed a table giving in the currency of the United States the average wages paid per hour for 12 classes of labor in the United States as compared with certain European countries in the calendar year 1903. The table was compiled from a bulletin issued a short time ago by the Bureau of Labor at Washington, in which the average rate of wages paid in each year from 1890 to 1903 inclusive for twelve classes of employment are given in detail for the countries named above.

Occupation.	United States.	Great Britain.
Blacksmiths.....	\$0.2951	\$0.1740
Boilermakers.....	.2848	.1719
Bricklayers.....	.5472	.2060
Carpenters.....	.3594	.2028
Compositors.....	.4487	.1795
Hod carriers.....	.2803	.1250
Iron molders.....	.3036	.1787
General laborers.....	.1675	.1019
Machinists.....	.2707	.1677
Painters.....	.4429	.2027
Plumbers.....	.3450	.1774
Stone masons.....	.4579	.2078
<i>Wages per hour for 12 classes.....</i>	<i>4.2071</i>	<i>2.0954</i>

## RAILWAY LABOR DURING REPUBLICAN AND DEMOCRATIC ADMINISTRATIONS.

There is no better index to the industrial condition of a country than the amount of business done by the railways, and as the railways in this country employ over one and one-half million persons, the increase or decrease in traffic materially affects a large proportion of the population.

During the fiscal year ending June 30, 1896 (Cleveland's Administration), there were 826,620 railway employees in the United States, receiving a total yearly compensation of \$468,824,531. In 1907, there were 1,672,074 railway employees receiving \$1,072,386,427. This shows an increase in 12 years of 845,454 railway employees and of over five hundred million dollars in aggregate salaries and wages. In other words, more than twice as many persons were employed by the railways in the United States on June 30, 1907, than on June 30, 1896, when the Democratic party was in power, and more than twice as much was paid in wages and salaries.

The following table shows the number of railway employees and the total and average salaries and wages paid in each class in 1896 and 1907:

*Number and total and average earnings of railway employees in the United States for the fiscal years ending June 30, 1896, and June 30, 1907, by occupation groups.*

[Compiled from the annual reports on the statistics of railways by the Interstate Commerce Commission.]

Occupation group.	Number.		Total earnings.		Average daily earnings.	
	1896.	1907.	1896.	1907.	1896.	1907.
General officers.....	5,372	6,407	\$12,497,957	\$17,231,606	\$9.19	\$11.93
Other officers.....	2,718	7,519	5,301,119	15,012,226	5.96	5.99
General office clerks.....	29,328	65,700	19,037,816	48,310,123	2.21	2.30
Station agents.....	29,728	35,619	17,059,117	24,831,068	1.73	2.05
Other station men.....	75,919	152,929	39,076,478	84,244,496	1.62	1.78
Engineers.....	37,951	65,288	41,351,307	87,406,778	3.66	4.30
Firemen.....	361,762	69,384	23,721,854	52,471,059	2.06	2.54
Conductors.....	25,457	48,889	24,758,485	55,847,244	3.05	3.69
Other trainmen.....	61,805	134,257	38,379,035	99,978,356	1.90	2.51
Machinists.....	29,272	55,214	19,312,746	46,475,095	2.26	2.87
Carpenters.....	38,816	70,394	22,948,585	49,082,659	2.03	2.40
Other shoemen.....	95,613	221,656	48,197,887	132,421,767	1.69	2.06
Section foremen.....	30,372	41,331	17,037,882	26,326,025	1.70	1.90
Other trackmen.....	161,661	397,271	51,521,113	135,793,476	1.17	1.46
Switch tenders, crossing tenders and watchmen.....	44,266	53,414	21,950,907	32,184,636	1.74	1.87
Telegraph operators and dispatchers.....	21,682	30,103	13,695,587	29,053,251	1.93	2.26
Employees—Account forwarding equipment.....	5,302	9,139	3,921,290	6,083,115	1.91	2.27
All other employees and laborers.....	88,467	228,524	43,338,416	129,551,951	1.65	1.92
Total.....	826,620	1,672,074	468,824,531	1,072,386,427	-----	-----



## REPORTS OF STATE LABOR BUREAUS.

A number of State labor bureaus publish from year to year information showing, among other things, the number of persons employed in leading industries, the total and average wages paid employees, the value of products, etc. Unfortunately in many cases these annual statistics are not comparable, one year with another, because they do not relate to identical establishments or industries. As far as recent comparable figures were obtainable from State labor reports they are shown below. They include in all cases the latest available figures.

## Massachusetts Labor Reports.

The annual statistics of manufactures in Massachusetts, published by the Massachusetts Bureau of Statistics of Labor, present reports from a large number of manufacturing establishments in the State, and each year compare conditions with the previous year, in the same establishments.

The following table compiled from the Massachusetts reports shows the percentage of increase or decrease each year over the year preceding in the same establishments, in the number of persons employed, the average yearly earnings per employee, and the value of goods made and work done:

*Percentage of increase or decrease in the number of employees, average earnings per employee, and value of goods made and work done in manufacturing establishments.*

[Compiled from the "Annual Statistics of Manufactures in Massachusetts," published by the Massachusetts Bureau of Statistics of Labor.]

Years compared.	Number of establishments reporting.	Persons employed.		Average yearly earnings per employee.		Value of goods made and work done.	
		Per cent of increase as compared with previous year.	Per cent of decrease as compared with previous year.	Per cent of increase as compared with previous year.	Per cent of decrease as compared with previous year.	Per cent of increase as compared with previous year.	Per cent of decrease as compared with previous year.
1888-1889	1,364	0.89		1.45		2.45	
1889-1890	3,041	2.70		1.58		4.37	
1890-1891	3,745	1.72		0.91		1.33	
1891-1892	4,173	4.53		1.51		5.37	
1892-1893	4,397		4.26		3.64		8.10
1893-1894	4,093		6.22		3.28		10.27
1894-1895	3,629	9.02		2.19		9.18	
1895-1896	4,609		2.94		.05		5.51
1896-1897	4,605	2.72			1.16	3.04	
1897-1898	4,701	1.80			0.18	4.62	
1898-1899	4,710	9.58		1.86		15.59	
1899-1900	4,645	3.77		2.80		8.51	
1900-1901	4,606	3.60		1.82		5.36	
1901-1902	4,658	6.46		2.29		8.66	
1902-1903	4,673	3.25		2.28		4.66	
1903-1904	4,730		2.73		0.87		0.90
1904-1905	5,010	7.66		1.02		10.55	
1905-1906	5,055	6.97		3.75		12.12	

## New Jersey Labor Reports.

The thirtieth annual report of the Bureau of Statistics of Labor and Industries of New Jersey contains data relating to the wages paid and hours of labor observed in a number of identical establishments engaged in the building industry in Essex county for a period of years. This information, while lacking for several of the years included in the period covered, is nevertheless sufficient to indicate very clearly the decidedly upward trend of wages and the decreasing working hours in these establishments, which were selected as being representative of their class. The following tables present the facts:

*Wages and hours of labor in identical establishments in the building industry in Essex county, N. J., by years.*

[From the Thirtieth Annual Report of the Bureau of Statistics of Labor and Industries of New Jersey.]

Painters, decorators, and paperhangers.

Year.	Wages		Hours of labor.	
	Per hour.	Per week.	Per day.	Per week.
1896.....	\$0.25	\$13.50	9	54
1897.....	.28	13.50	8	48
1898.....	.31½	15.00	8	48
1900.....	.34	16.50	8	48
1903.....	.37½	18.00	8	48
1906.....	.41	18.04	8	44

Carpenters.

Year	1891	1896	1897	1903	1905	1906
Hours of labor.....	9	9	8	8	8	8
Wages per day.....	\$2.50	\$3.00	\$3.00	\$3.28	\$3.60	\$3.80

Bricklayers and masons.

Year.	Wages.		Hours of labor.	
	Per hour.	Per week.	Per day.	Per week.
1890.....	\$0.33½	\$18.00	9	54
1896.....	.41½	24.00	8	54
1901.....	.50	24.00	8	48
1903.....	.55	24.20	8	44
1905.....	.60	26.40	8	44
1906.....	.65	28.60	8	44

New York Labor Reports.

Since 1897 the New York Bureau of Labor Statistics has collected data concerning the actual earnings of wage-workers through the officers of workingmen's organizations, reaching in this way thousands of wage-earners where few could have been reached by means of individual schedules.

The New York statistics are based on quarterly reports collected twice a year and thus cover one-half of each year. The following table shows the average earnings, with per cent of increase over 1897, and the average days of employment of organized workingmen for each of the years 1897 to 1906:

*Average earnings of organized workingmen, 1897-1906.*

[Compiled from the Twenty-fourth Annual Report of the Bureau of Labor Statistics of New York.]

Year.	Average quarterly earnings. (First and third quarters.)	Average earnings per day. (First and third quarters.)	Estimated average for year.	Per cent. of increase over 1897.	Average days of employment in year.
1897.....	\$162.50	\$2.56	\$650.00	-----	227
1898.....	169.49	2.66	678.00	4.31	232
1899.....	186.63	2.73	747.00	14.92	253
1900.....	179.11	2.70	716.00	10.15	246
1901.....	189.06	2.75	756.00	16.31	260
1902.....	191.33	2.75	765.00	17.69	264
1903.....	188.28	2.73	753.00	15.85	256
1904.....	186.20	2.76	745.00	14.62	253
1905.....	203.77	2.92	815.00	25.38	272
1906.....	218.96	3.07	876.00	34.77	278

The report from which the foregoing table was compiled states that "in 1897 the average wage for a day of work among organized wage-earners was \$2.53 or, taking the first and third quarters alone, \$2.56. In 1906, in the first and third quarters, the average per diem earnings of all members employed was \$3.07. In the ten years there had consequently been an average increase of 51 cents a day, which is almost exactly equivalent to 20 per cent. This result, which is based on actual earnings, is probably a close approximation to the general movement of wages in New

York in the past decade. The returns on which the statistics are based include nearly all occupations, except agricultural labor and domestic service, and there is little question that both of these classes of workers have gained similar advances."

The following table, which is taken from the same source, gives the percentage of working time in which organized workingmen and women were employed and idle:

*Percentage of working time in which organized workingmen and women were employed and idle, 1897-1906.*

Year.	Employed.	Idle.
1897.....	73.8	26.2
1898.....	75.3	24.7
1899.....	83.6	16.4
1900.....	80.0	20.0
1901.....	81.4	15.6
1902.....	85.7	14.3
1903.....	83.1	16.9
1904.....	83.8	16.2
1905.....	88.3	11.7
1906.....	90.3	9.7

In 1897, when recovery from the industrial depression of 1893 was just beginning, wage-workers lost fully one-fourth of their income through unemployment of one kind or another. As the industrial revival gained headway the percentage of idleness decreased, with slight relapses in 1900, 1903, and 1904, when large numbers of the organized workmen were involved in labor disputes.

The following table, which is also compiled from the twenty-fourth annual report of the Bureau of Labor Statistics, shows the average earnings per day of organized workingmen for each of the years 1897 and 1902 to 1906, inclusive, in forty selected occupations:

*Average earnings of organized workingmen for each day of work in third quarter 1897 and 1902-1906; men only.*

Occupation.	Number reporting.	1897	1902	1903	1904	1905	1906
Bakers and confectioners.....	3,360	\$2.01	\$2.23	\$2.30	\$2.40	\$2.44	\$2.60
Barbers.....	2,289	1.71	1.81	1.83	1.91	1.93	2.07
Bartenders.....	3,734	1.87	1.97	2.11	2.16	2.22	2.27
Boilermakers and iron-ship builders.....	1,694	2.63	2.74	2.85	2.89	2.76	2.95
Bookbinders (all branches).....	2,293	2.92	3.06	3.00	3.02	3.07	3.12
Boot and shoe workers.....	2,402	1.94	1.97	2.12	2.16	2.19	2.42
Brewery workmen.....	6,816	2.45	2.69	2.61	2.65	2.68	2.67
Bricklayers and masons.....	12,881	3.81	4.65	4.51	4.73	5.11	5.03
Butchers.....	2,287	2.19	2.27	2.31	2.36	2.45	2.62
Cabinet makers.....	2,287	2.46	3.13	3.15	3.35	3.40	3.53
Carpenters and joiners.....	28,904	3.03	3.10	3.27	3.30	3.45	3.76
Cigar makers.....	7,743	1.54	1.89	1.92	1.90	2.01	1.93
Clerks and salesmen.....	1,639	2.19	2.04	2.19	2.19	2.24	2.26
Coat makers.....	2,718	1.81	2.32	2.40	2.44	2.14	2.11
Compositors.....	8,384	3.40	3.39	3.43	3.53	3.52	3.55
Conductors, railway.....	2,332	2.90	3.13	3.18	3.23	3.47	3.41
Electrical workers.....	4,834	2.61	2.78	3.34	2.89	2.92	3.30
Engineers, locomotive.....	4,137	3.61	3.83	3.73	3.77	3.91	3.92
Firemen, locomotive.....	4,114	2.16	2.29	2.43	2.53	2.53	2.66
Hod carriers.....	18,141	2.38	2.82	2.75	2.75	2.87	2.99
Housesmiths and bridgemen.....	2,493	2.48	3.71	4.32	4.36	4.38	4.28
Iron molders.....	7,266	2.56	3.06	3.00	2.98	3.04	3.22
Jacket makers.....	2,175	1.72	2.27	2.27	2.15	2.15	2.13
Lathers.....	2,172	3.00	3.79	3.44	3.38	3.92	4.70
Lithographers.....	2,153	3.41	3.76	3.77	4.00	3.87	4.01
Machinists.....	7,641	2.24	2.70	2.69	2.70	2.80	3.02
Painters and decorators.....	13,279	3.25	3.22	3.34	3.37	3.47	3.15
Pants makers.....	1,401	1.42	2.31	2.63	2.13	2.49	2.34
Piano and organ workers (all branches).....	2,234	1.70	2.58	2.69	2.61	2.54	2.51
Plasterers.....	6,161	3.32	4.81	5.29	5.31	5.46	5.51
Plumbers and gas fitters.....	5,831	3.49	3.67	3.72	3.79	4.31	4.21
Pressmen.....	3,131	3.43	3.07	3.21	3.13	3.40	3.50
Roofers, sheet metal workers.....	4,018	3.15	3.35	3.24	3.53	3.63	4.05
Stationary engineers.....	7,312	3.00	2.85	2.92	3.27	3.21	3.37
Stationary firemen.....	4,446	2.31	2.13	2.17	2.07	2.31	3.03
Stone cutters.....	3,033	3.71	3.85	4.11	4.23	4.35	4.40
Stone masons.....	1,937	2.33	3.82	3.91	3.95	4.13	4.21
Street railway employees.....	1,965	1.81	1.96	2.00	1.91	2.11	2.11
Tailors.....	2,170	2.01	2.19	2.33	2.46	2.66	2.41
Trainmen.....	6,638	1.96	2.12	2.24	2.26	2.29	2.48



## Pennsylvania Labor Reports.

The secretary of internal affairs of the State of Pennsylvania, in his report for 1905, publishes a series of tables showing comparative statistics in 710 identical establishments for the years 1896 to 1905. The following table has been compiled from this report:

*Comparative statistics of 710 identical manufacturing establishments, 1896 to 1905.*

[Compiled from the Thirty-third Annual Report of the Bureau of Industrial Statistics of Pennsylvania.]

Year.	Average persons employed		Aggregate wages paid.		Average yearly earnings per employee.		Value of product.	
	Number.	Per cent of increase as compared with 1896.	Amount.	Per cent of increase as compared with 1896.	Amount.	Per cent of increase as compared with 1896.	Amount.	Per cent of increase as compared with 1896.
1896	122,138	—	\$46,736,124	—	\$382.65	—	\$169,806,591	—
1897	127,461	4.4	47,852,604	2.4	375.43	a1.9	182,572,176	7.5
1898	141,819	16.1	57,312,059	22.6	401.12	5.6	217,514,078	28.9
1899	163,683	34.0	70,944,181	51.8	433.42	13.3	287,635,100	69.4
1900	175,501	43.7	76,838,628	64.4	437.82	14.4	325,161,818	91.5
1901	183,183	50.0	82,160,337	75.8	448.52	17.2	339,027,496	99.7
1902	191,945	59.6	93,947,766	101.2	481.92	25.9	388,803,536	128.4
1903	203,838	66.9	98,259,805	112.0	482.01	26.0	390,224,148	129.8
1904	183,833	50.5	84,483,863	80.8	450.57	20.1	334,343,735	96.9
1905	202,401	65.7	97,463,104	108.6	481.54	25.8	400,311,210	135.7

a Decrease.

The following tables, compiled from the thirty-fourth annual report of the secretary of internal affairs, show the principal data for pig iron and tin plate production for the years 1896 to 1906.

*Comparative statistics of pig iron and tin plate production, 1896 to 1906.*

[Compiled from the Thirty-fourth Annual Report of the Bureau of Industrial Statistics of Pennsylvania.]

Pig iron.

Year.	Average persons employed.		Aggregate wages paid.		Average yearly earnings per employee.		Value of product.	
	Number.	Per cent of increase (+) or decrease (-).	Amount.	Per cent of increase (+) or decrease (-).	Amount.	Per cent of increase (+) or decrease (-).	Amount.	Per cent of increase (+) or decrease (-).
1896	11,580	—	\$1,589,165	—	\$356.30	—	\$45,172,039	—
1897	11,272	-2.7	4,676,970	+1.9	411.92	+4.7	48,884,854	+8.2
1898	11,911	+5.6	5,268,503	+12.6	442.32	+6.6	53,331,228	+9.1
1899	15,347	+28.8	7,599,533	+44.2	495.18	+11.9	98,203,808	+84.1
1900	15,785	+2.8	8,500,194	+11.8	538.50	+8.8	105,449,923	+7.4
1901	14,749	-6.6	8,646,479	+1.7	586.24	+8.9	103,883,000	+1.4
1902	17,101	+15.0	10,191,759	+17.9	597.95	+1.7	126,857,231	+18.7
1903	16,912	-1.1	10,662,196	+4.6	630.45	+5.8	131,775,613	+3.9
1904	14,087	-16.7	7,909,335	-25.8	561.46	-10.9	101,830,467	-22.7
1905	16,747	+18.9	10,532,928	+33.2	628.94	+12.0	162,716,176	+59.8
1906	18,637	+11.3	12,063,556	+14.5	647.29	+2.9	187,909,541	+15.2

The enormous effort of the whole people as a Nation, and the burdens they gladly assume to maintain the national integrity, and to cut out the cancer of slavery that was eating away our national life, do not grow any less, from an historical standpoint, as the decades pass.—Hon. Wm. H. Taft, at Riverside Park, New York.



## Tin plate.

Year.	Average persons employed.		Aggregate wages paid.		Average yearly earnings per employee.		Value of product.	
	Number.	Percent of increase (+) or decrease (-).	Amount.	Percent of increase (+) or decrease (-).	Amount.	Percent of increase (+) or decrease (-).	Amount.	Percent of increase (+) or decrease (-).
1896	3,194		\$1,137,226		\$456.55		\$4,637,811	
1897	3,022	+22.7	2,227,217	+51.9	568.17	+24.4	6,837,021	+47.4
1898	5,036	+28.5	2,013,954	+32.2	584.58	+2.9	9,311,235	+36.6
1899	7,682	+52.5	4,051,395	+37.7	527.78	+9.7	12,152,532	+30.1
1900	7,391	-3.7	3,529,034	-13.0	477.00	-9.6	12,500,807	+3.6
1901	8,188	+10.8	4,533,561	+30.2	561.01	+17.6	17,052,338	+35.2
1902	8,905	+8.8	4,506,105	-1.9	506.02	-9.8	19,116,755	+5.3
1903	8,261	-7.2	5,085,188	+26.2	608.56	+39.1	20,373,303	+26.4
1904	8,397	+1.6	5,135,828	+9.7	611.63	+11.2	18,594,358	-9.2
1905	8,280	-1.4	5,269,152	+2.6	636.37	+4.0	19,968,008	+7.9
1906	8,685	+4.9	6,180,265	+17.3	711.00	+11.8	23,722,553	+18.8

In the following table are shown the average yearly earnings of employees in identical establishments in twenty-five selected industries for the years 1896 and 1905, compared:

*Average yearly earnings of employees in identical establishments in 25 selected industries, 1896 and 1905.*

[Compiled from the Thirty-third Annual Report of the Bureau of Industrial Statistics of Pennsylvania.]

Industry.	Average earnings.		Increase in 1905 over 1896.	
	1896.	1905.	Actual.	Per cent.
Bookbinding.....	\$170.70	\$390.62	\$119.92	25.5
Brass, copper and bronze goods.....	407.01	517.01	140.00	34.6
Building and structural iron work.....	508.18	616.40	108.22	21.3
Carpets.....	316.63	422.88	76.25	22.0
Car springs, axles and railway supplies.....	413.76	505.71	91.95	22.2
Cotton goods.....	279.41	372.82	93.41	31.5
Cotton yarns.....	273.14	370.08	97.51	35.7
Edge tools.....	435.70	545.77	110.70	25.3
Foundries and machine shops.....	450.22	556.18	105.96	23.8
Hats and caps.....	293.23	391.80	98.57	33.3
Hosiery.....	237.59	311.98	74.39	31.3
Iron and steel forgings.....	478.61	612.76	161.15	28.6
Locomotives and cars built and repaired.....	485.43	628.88	143.45	29.5
Paper manufacture.....	381.90	483.41	101.51	26.6
Pottery.....	497.00	518.35	49.35	9.9
Shovels, scoops, spades, etc.....	331.23	570.47	171.24	42.9
Silk, ribbons.....	258.22	376.59	120.37	43.1
Slate roofing, etc. (tonnage).....	303.61	456.60	152.99	34.8
Stoves, ranges, heaters, etc.....	411.16	627.32	216.16	52.5
Tool steel, etc.....	551.01	851.62	297.58	53.5
Umbrellas and parasols.....	231.65	320.54	88.89	38.4
Upholstery goods.....	364.10	477.76	113.66	31.9
Window glass, bottles, and table goods.....	379.14	485.95	106.81	28.2
Woolen and worsted fabrics.....	277.01	396.45	119.44	43.3
Wrenches, picks, etc.....	428.91	563.55	184.64	31.4

**"OUT-OF-WORK BENEFITS" UNDER DEMOCRATIC AND REPUBLICAN ADMINISTRATION.**

Interesting evidence in corroboration of the figures published by the Federal Bureau of Labor is furnished by a statement of the out-of-work benefits paid by the Cigarmaker's International Union during the period 1890 to 1907. Nothing affords a clearer insight into the general condition of employment than does the amount expended by labor organizations in benefits to members who are temporarily out of work. In the following table, which has been reproduced from the Cigarmaker's Official *Journal* of date of April 15, 1908, is shown the total cost of

out-of-work benefits paid to members of that organization, and the total membership. By dividing this cost by the membership we ascertain the average cost per member. The figures are as follows:

*Out-of-work benefits paid by the Cigar Makers' International Union from 1890 to 1907.*

Year.	Total cost of out-of-work benefits.	Total membership of out-of-work benefit fund.	Average cost per member of out-of-work benefits.
1890	\$22,760.50	24,624	0.92
1891	21,223.50	24,221	0.88
1892	17,460.75	26,678	0.65
1893	89,402.75	26,788	3.34
1894	174,517.25	27,828	6.27
1895	166,877.25	27,760	5.99
1896	175,767.25	27,318	6.43
1897	117,471.40	26,347	4.46
1898	70,197.70	26,469	2.65
1899	38,037.00	28,994	1.31
1900	23,897.00	33,955	0.70
1901	27,083.70	33,974	0.80
1902	21,071.00	37,023	0.57
1903	15,558.00	39,301	0.40
1904	29,872.50	41,586	0.72
1905	35,168.50	40,075	0.88
1906	23,911.00	39,250	0.61
1907	19,497.50	41,337	0.47

This table presents several significant facts. From 1890 to 1892 the cost per member for out-of-work benefits decreased from \$0.92 to \$0.65. In March, 1893, the Democratic administration came into power. The cost per member increased in that year to \$3.34, then to \$6.27, then a slight drop to \$5.99 and a rise again in 1896 to \$6.43 per member. In March, 1897, the Republican administration returned. The cost per member during that year fell to \$4.46, and as business confidence was gradually restored and employment became more general, it continued to decline until in 1903 it was reduced to but \$0.40 per member. In 1904 and 1905 there was a slight increase, which was followed in 1906 by a decline that continued through 1907, the cost of out-of-work benefits during that year being \$0.47 per member. Thus while from 1896 to 1907 the total membership increased from 27,318 to 41,337, or 51 per cent, the total cost for out-of-work benefits decreased from \$175,767.25 to \$19,497.50, or 89 per cent.

## REPUBLICAN LABOR LEGISLATION.

### Federal Legislation.

Since its very inception the Republican Party has been legislating in every Congress for the uplifting of labor and the bettering of conditions for all working classes. Through our Tariff laws the working people of the United States have been protected against the cheaper labor of the outside world, and wages to-day are from two to ten times the amount received elsewhere. Through our financial legislation the wage-earner has always received a full dollar, and his savings and investments have been fully protected. Not only have wages constantly increased and hours of labor been reduced, but sanitary conditions have been constantly improved and inspection and liability laws have given to our workmen and women conditions and advantages better, very much better, than in any other country.

All the great National Labor laws on our statute books were put there by the Republican Party. Among the principal ones are the following:

**Slavery.**—The great revolution which exalted labor and freed the country from the curse of slavery was accomplished by the Republican Party, against the fiercest opposition possible by the combined forces of the Democrats and their allies. Still true to



its original ideas of freedom, the Republican Party, after a lapse of forty years since the emancipation proclamation of Lincoln, abolished slavery in the Philippine Islands. (Act passed by a Republican Senate and Republican House and signed by President Roosevelt July 1, 1902.)

*Involuntary Servitude of Foreigners.*—In 1874 the Forty-third Congress, which was Republican in both Houses, prohibited, under heavy penalties, the holding to involuntary services of any person forcibly kidnapped in any other country.

*Peonage.*—The act abolishing this kind of forced labor was passed by the Thirty-ninth Congress, when both Houses were Republican by a large majority, March 2, 1867.

*The Coolie Trade.*—The legislation prohibiting the coolie trade is the work of the Republicans. The Act of 1875 closed our doors to the paupers and criminals of Europe, and the Exclusion Act of 1882 stopped the immigration of the Chinese. Upon the annexation of Hawaii in 1898 the immigration of Chinese thereto was prohibited by a Republican Congress, as was the migration of those already in Hawaii from the islands to continental United States. In President Roosevelt's Administration the Chinese-exclusion laws have been extended to the entire island territory of the United States. (Act passed by the Fifty-seventh Congress and approved April 29, 1902.)

*Immigration.*—The Republican Party has favored the American standard of living, not only by abolishing compulsory labor, but also by excluding the products of the cheapest foreign labor through protective tariffs and by restricting the immigration of unassimilable elements from other races.

The importation of foreign laborers under contract was first prohibited in 1885, but, owing to defective provisions for enforcing the law, continued almost unchecked until the amendments made in President Harrison's administration. (Acts of the Fifty-first Congress, which was Republican in both branches, and of the Fifty-second Congress, signed March 3, 1891, and March 3, 1893, respectively.)

The Republican Party has increased the restrictions upon the immigration of cheap foreign labor in the new law of 1903. (Act passed by the Fifty-seventh Congress, both Houses being controlled by the Republicans, and signed by President Roosevelt March 3, 1903.)

*Convict Labor.*—The law abolishing the contract system of labor for United States convicts passed the House March 3, 1886, and the Senate February 28, 1887. All the votes against the bill were Democratic.

The law providing for the construction of new United States prisons and the employment of convicts therein exclusively in the manufacture of such supplies for the Government as can be made without the use of machinery was passed by the Fifty-first Congress, which was Republican in both branches, and signed by President Harrison. (Chapter 529 of the Acts of 1890-91.)

*Protection of Seamen.*—This was accomplished by the Forty-second Congress, when both Houses were Republican, and the Forty-third Congress, also Republican.

*Inspection of Steam Vessels.*—Accomplished by the Fortieth Congress, which was controlled by the Republicans.

*Inspection of Coal Mines in the Territories.*—Provided for by the Fifty-first Congress, both Houses being under the control of the Republicans; approved by President Harrison.

*Safety Appliances on Railroads.*—The original act providing for automatic couplers and power brakes on locomotives and cars used in interstate traffic was passed by the Fifty-second Congress, and signed by President Harrison March 2, 1893. Owing to decisions of the courts, new legislation became necessary, and the Fifty-seventh Congress (Republican) passed a greatly improved law, which was signed by President Roosevelt March 2, 1903.

*Report of Accidents.*—The Fifty-sixth Congress (Republican) passed a law requiring common carriers to make monthly reports of accidents to the Interstate Commerce Commission. (Approved by President McKinley March 3, 1901.)

*Eight-Hour Law.*—The first eight-hour law in this country was enacted by the Fortieth Congress and approved by President Grant in 1868. It applied to all artisans and laborers employed by the Government.



In the Fiftieth Congress (1888) the eight-hour day was established for letter carriers. The bill passed the Senate, which was Republican, without division.

In President Harrison's administration the eight-hour law was extended to include persons employed by contractors on public works. (Chap. 352 of the Acts of 1892.)

*Department of Labor.*—The Act creating the United States Bureau of Labor was passed by the Forty-eighth Congress (1884) and signed by President Arthur. In the Fiftieth Congress (1888) the Bureau was removed from the Department of the Interior and made an independent Department of Labor, all the votes cast against the bill being Democratic. In 1903 a Republican Congress established the Department of Commerce and Labor and made its head a Cabinet officer.

*Boards of Arbitration.*—Act passed at the Fifty-fifth Congress (Republican) and signed by President McKinley June 1, 1898.

*Incorporation of National Trades Unions.*—Provided for by Act of Congress in 1886.

*Recent Legislation.*—It is within bounds to say that no previous sessions of Congress have displayed a more active or intelligent interest in the needs of the wage-earners than the past three sessions, nor has there heretofore in the same length of time been as much important and progressive legislation in the interests of this class of our fellow-citizens.

Congress has wisely co-operated with and supplemented the work of the Department of Commerce and Labor by enacting a law for the better protection of seamen and to prevent their being induced to ship through false representations. It has provided for an investigation into the conditions of working women and children; it has amended and strengthened the law to prevent the importation of contract labor, and provided a plan for the further exclusion of that class of Asiatic immigration which enters into competition with American workmen. It has enacted a law limiting the hours of labor of employees engaged in railway train service and of railway telegraphers.

The Congress just closed re-enacted the law passed by the Fifty-ninth Congress to conform to the opinion of the Supreme Court, making common carriers liable for accidents to their employees engaged in interstate commerce. It has enacted a law for the further protection of the life of railroad employees in their hazardous employment. It has provided compensation for laborers and mechanics who may be injured in the service of the government, and making a provision for their families in the event of their being killed in the course of their employment. It has enacted a model child-labor law for the District of Columbia. It has directed a thorough investigation into the working conditions of the employees of the telegraph and telephone companies doing interstate business; and, in response to the urgent appeal from both capital and labor, Congress, before its adjournment, appropriated \$150,000 for an investigation into the cause of mine accidents, with a view of promoting the safety of workers in our mines.

*Safety of Employees on Railroads.*—*The Ashpan Act.*—An act to promote the safety of employees upon railroads by requiring common carriers engaged in interstate or foreign commerce by railroads to equip their locomotives with automatic self-dumping and self-cleaning ash pans was passed by Congress on May 30, 1908, the author of the measure as well as its chief supporters being of the Republican party.

The following are some of the principal acts of legislation by the Republican Party:

1. The Homestead Law, passed by a Republican Congress and signed by Abraham Lincoln.
2. The acts for the issuance of legal tenders and national bank notes, which gave the people a currency of equal and stable value in all parts of the country.
3. The system of internal revenue taxation, by which approximately one-half of the ordinary expenses of the Government have been visited upon malt and spirituous liquors, tobacco and cigars.
4. The thirteenth amendment to the Constitution, which abolished slavery.



cratic States. At the present time the statute books of the different States show a decided preponderance of protective labor legislation in the Republican as compared with the Democratic States. This is brought out in the following summary table, which shows the number and per cent of Republican and Democratic States which have enacted each of the important classes of labor laws indicated:

Legislation in force January 1, 1908.	Republican States.		Democratic States.	
	Number.	Per cent of all Republican States.	Number.	Per cent of all Democratic States.
Creating labor bureaus.....	26	87	7	44
Creating factory inspection services.....	23	77	6	37½
Providing for free employment bureaus.....	13	43	2	12½
Providing for boards of conciliation and arbitration.....	18	60	4	25
Establishing a compulsory 8-hour day for labor on public works.....	16	53	2	12½
Prohibiting employment of children under 14 years of age in factories.....	23	77	4	25
Limiting hours of labor of children.....	24	80	13	81
Restricting employment of children of school age and of illiterate children.....	26	87	9	56
Prohibiting night work by children.....	18	60	10	62½
Prohibiting employment of children in operating or cleaning dangerous machinery.....	12	40	3	19
Limiting hours of labor of women.....	15	50	6	37½
Requiring seats for females in shops or mercantile establishments.....	23	77	10	62½
Regulating sweatshops.....	10	38	2	12½
Requiring wages to be paid weekly, fortnightly or monthly.....	17	57	5	31
Protecting members of labor organizations.....	14	47	1	6
Protecting the union label.....	28	93	12	75

An examination of these tables presents an interesting lesson in practical politics. We shall take up in rotation each of the more important subjects of labor legislation, and see which States have done the most for the workingman.

#### Labor Bureaus.

There are few agencies which have done more toward giving a clear insight into the problems of labor and capital, that have brought employer and employee nearer together, or that have furnished the laboring people with facts for arguments in favor of protective legislation, than bureaus of labor and labor statistics. The above table shows that at present there are 33 State labor bureaus in the United States. Of these 26 are in Republican and 7 are in Democratic States. Reducing these figures to a proportionate basis, we find that 26 out of 30 Republican States, or 87 per cent, have labor bureaus; 7 out of 16 Democratic States, or 44 per cent, have labor bureaus.

#### Factory Inspection Service.

It is well known to all working people that protective labor laws are practically a dead letter in any State unless there is a factory inspection service organized for the purpose of searching out and bringing to justice persons who violate such laws. It is easy enough to enact protective legislation, but it is another thing to enforce it. If a State, therefore, enacts such laws and fails to organize a service for their enforcement, it is deceiving those whom it pretends to favor. Let us again observe the tables. We find that 23 out of 30 Republican States, or 77 per cent, have laws creating factory inspection services. We also find that 6 out of 16 Democratic States, or 37½ per cent, have factory inspection services. *In examining the other subjects of labor legislation which follow, we must not lose sight of the fact that only 6 of the Democratic States have made provision for factory inspection services for the purpose of carrying out the provisions of the labor laws which will be under consideration.*

**Free Employment Bureaus.**

The movement to establish free public employment bureaus, where working people in search of work and employers desiring help might be brought together without expense to either, was started in Ohio by the passage of a law requiring the labor bureau of that State to establish agencies in the leading cities. Other States followed Ohio's example, until at present laws providing for such agencies have been enacted in 15 States. Of these 13 are Republican and 2 are Democratic.

**Boards of Arbitration and Conciliation.**

Twenty-two States have enacted laws providing for either State or local boards of conciliation and arbitration. Of these 18 are Republican and 4 are Democratic States.

**Eight-hour Law.**

For many years labor organizations have been endeavoring to secure legislation prohibiting labor on government works or public contracts for more than eight hours per day. At the present time 18 of the 46 States have such laws on their statute books. Of these 16 are Republican and 2 are Democratic. In addition to these 4 Republican States and 1 Democratic State have laws declaring eight hours to be a legal working day in the absence of a contract.

**Child Labor.**

Ever since the introduction of the factory system, over a century ago, the greatest sufferers from the greed of inconsiderate and cruel employers have been the helpless children, who often at a tender age are placed in factories. It is a principle recognized in all civilized countries that children under 14 years of age should not be employed in factories, and nearly all civilized countries have laws placing a minimum age limit of 14 years upon such child labor. In our country 27 States prohibit the employment of children under 14 years of age in factories. Of these, 23 are Republican and 4 are Democratic States.

Many States have enacted laws placing certain restrictions upon the employment of children, usually 16 years of age, and in some cases even upon the employment of all minors. Of this class are laws limiting the hours of labor of children in factories or stores, which have been enacted in 37 States. Of these 24 are Republican, and 13 are Democratic States.

Thirty-five States have placed restrictions upon the employment of children of school age or of illiterate children, of which 26 are Republican and 9 are Democratic.

Twenty-eight States prohibit night work by children. Of these 18 are Republican and 10 are Democratic States.

Fifteen States prohibit the employment of children in operating dangerous machinery or cleaning machinery in motion. Of these 12 are Republican and 3 are Democratic States.

**Woman Labor.**

Next to the children, the greatest victims of abuse by inconsiderate employers when unrestrained by law are women. Investigations have shown that their condition is sometimes pitiful where employers are given free scope in their employment. Their protection, in the interests of humanity and morals, has also been the subject of legislation in nearly all civilized countries. In the United States 21 States have enacted laws which limit the hours of labor of women. Of these 15 are Republican and 6 are Democratic States.

*It is interesting to notice that of the 15 Republican States limiting the hours of labor of women, 12 provide for factory inspection, while of the 6 Democratic States mentioned, only 3 make such provision.*

**Seats for Females in Shops.**

Legislation on this subject needs no comment. Any man who has a sister or daughter employed in a shop or store, and every



physician, knows what a hardship it is to a woman to be compelled to stand all day at a bench or behind a counter. Fortunately, in 33 States legislation has been enacted requiring employers to provide seats for females. Of these 33 States, 23 are Republican and 10 are Democratic.

#### **Sweatshop Legislation.**

There is no greater menace to the health of the working people and nothing which tends more to lower and degrade human beings, than to crowd them together in small, filthy workshops, where they are often compelled to work, eat and sleep without regard to health or morals, and where the hours of labor are often so long that the victims, who are usually foreigners unacquainted with our language, are shut out from all opportunities for education or betterment of any kind. The scenes observed in these shops by official investigators have been revolting beyond description. Long ago efforts have been made to regulate these sweatshops, and 12 States have enacted laws looking to this end. Of these 12 States 10 are Republican and 2 are Democratic.

#### **Wage Payments.**

In order to insure the prompt payment of workmen's wages in cash when due, 22 States have enacted laws requiring employers to pay wages weekly or fortnightly, and in some instances prohibiting a longer interval than one month between pay-days. Of these 17 are Republican and 5 are Democratic.

#### **Protection of Members of Labor Organizations.**

Fifteen States have enacted laws, that are now in force, prohibiting employers from discharging persons on account of membership in labor organizations, or from compelling persons to agree not to become members of labor organizations as a condition of securing employment or continuing in their employ. Of these all but one are Republican States.

#### **Protection of the Union Label.**

Forty States have passed laws allowing trade unions to adopt labels or trade-marks to be used to designate products of the labor of their members, and prohibiting the counterfeiting or the use of such labels or trade-marks by unauthorized persons. Of these States 28 are Republican and 12 are Democratic.

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This is an era of great combinations both of labor and of capital. In many ways these combinations have worked for good, but they must work under the law, and the laws concerning them must be just and wise or they will inevitably do evil; and this applies as much to the richest corporation as to the most powerful labor union.—President Roosevelt at Charleston, S. C., April 9, 1902.

That whenever the need arises there should be a readjustment of the tariff schedules is undoubted; but such changes can with safety be made only by those whose devotion to the principle of a protective tariff is beyond question, for otherwise the charges would amount not to readjustment but to repeal. The readjustment when made must maintain and not destroy the protective principle.—President Roosevelt's speech accepting 1904 nomination.

Efficient regulation is the very antidote and preventive of socialism and government ownership. The railroads, until now, have been permitted to yield without any real control the enormously important franchise of furnishing transportation to the entire country. In certain respects they have done a marvelous work and have afforded transportation at a cheaper rate per ton, per mile, and per passenger, than in any country in the world. They have, however, many of them, shamefully violated the trust obligation they have been under to the public of furnishing equal facilities at the same price to all shippers. They have been weighed in the balance and found wanting. The remedy for the evils must be radical to be effective. If it is not so, then we may certainly expect that the movement toward government ownership will become a formidable one that cannot be stayed.—Hon. Wm. H. Taft, at Columbus, Ohio.





## HON. WILLIAM H. TAFT'S RELATIONS TO UNION LABOR.

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No class of citizens is more deeply interested in the records of presidential candidates than union workmen. They want the simple facts with regard to each man, and it is especially incumbent upon them not to form opinions on insufficient evidence, and to consider whether a candidate's record is one of achievement or only of promise. Actions may not be more eloquent than words, but they are more convincing. Trade unionists, like other people, will never know their friends until they put them upon trial; and when a man is tried he should be judged by his whole course of action, and not by one isolated event over which there may be a difference of opinion even among trade unionists. If the candidate has had opportunity to do things, has he done them? And in the doing, has he been fearless and fair towards all classes of citizens? For trade unionists want neither charity, nor favor; they want opportunity and justice.

Next to the churches and the schools, trade unionism has done much to raise the standard of American citizenship. It has said: "Suffer little children to come into the school house and the church and not into the factory and mine," and it has given to their progenitors higher wages, shorter hours, more sanitary conditions of living and greater security to life and limb—all of which have been shared by union and non-union workers; that is to say, the union workers have fought the battles, carried the burdens and made the sacrifices, and society as a whole has benefited. It has said: "The laborer is worthy of his hire, even though the laborer be a woman." It has at times been led by bad men, but the organization that is composed of saints has not yet taken out its charter. It has made mistakes, but the man or the institution that does not make mistakes does not make anything. This is no argument, however, in favor of the making of heedless blunders, and a blunder would be made if one who has successfully met many public trusts and discharged duties of a high national and international significance, and who has ever been prompted by motives of the highest regard for the welfare of the producing people of this nation, should be credited by organized labor as being now, or ever having been, inimical to their interests. Secretary Taft's whole public career, and it is an extensive one, contains no incident in which he has ever, by word or act, arrayed himself against the principles of trade unionism. On the contrary, he has been its consistent friend and advocate. His record shows that not only were his sympathies with the organization, but that his actions were those of a friend many years before either he or the American people had thought of him as a Presidential possibility.

### Misquoted and Unjustly Judged.

Probably no judge has ever been more misquoted and unjustly judged by trades unionists than Judge Taft. His many decisions in favor of labor organizations have been minimized to such an extent that one is prompted to inquire if those who have exploited his record before labor organizations were not more interested in the welfare of some political party than in the interests of their labor organizations. Trade unionists should stand together, without regard to party, in contending for everything that will legitimately advance their principles, and should credit an honest judge with doing his duty, even though his decisions be adverse to them, so long as they are in accordance with the law of the land. His decisions, of course, may not voice the opinion of the judge; *he does not make the law.* On the other hand, *there is no decision by Judge Taft that can be cited that indicates personal antipathy or a personal unfriendliness on his part to labor organizations.*

**Some of the Public Actions of William H. Taft Especially Helpful to Organized Labor.**

The words of Judge Taft in the Arthur and Phelan cases, in 1893-4, setting forth the rights of labor organizations under the law, were invoked and applied in favor of labor unions in the case of the strike on the Wabash Railroad in 1903, and an injunction against the union dissolved.

In 1894, in adjudging Phelan guilty of contempt for disobeying the injunction secured to prevent interference with the operation of the Cincinnati-Southern Railway and to keep open interstate commerce, Judge Taft, in determining the limits of labor organizations, made a notable statement of the extent of the rights of labor which has since been frequently and successfully quoted by those contending in the interests of union labor.

In 1899 Judge Taft became the champion of the cause of union labor in the Narramore case, and as a judge of the U. S. Circuit Court of Appeals, reversed the decision of the court below and wrote an opinion that has finally become, in spirit and in letter, the established law not only of Ohio, but of the nation. He took an impregnable position against precedents and numerous decisions which had declared, in effect, that, where an employer was violating the law with regard to the use of safety appliances, an injured workman could not recover damages because he was supposed to know of the violation, and to assume all risks consequent thereto.

As Governor-General of the Philippines, he encouraged the organization of workmen into unions that should be organized on American lines, and pardoned a labor leader who had been convicted under an old Spanish law for "conspiring to raise the wages of labor."

As Governor-General Mr. Taft refused to accede to the demands of corporations and other employers to permit the introduction of cheap Chinese labor into the islands, and unequivocally declared himself against bringing the workmen of our new dependencies or those in our own land, into competition with the cheaper labor of the civilizations lower than our own.

**Mr. Taft's Decisions Relative to Labor.**

Frederick N. Judson, the attorney for the Railroad Brotherhood in the Wabash case, says:

"There is no foundation, therefore, for the suggestion that the decisions of Judge Taft were in any sense unfriendly to labor."

One should read in the Review of Reviews for August, 1907, what Mr. Judson says of the whole series of Judge Taft's labor decisions. The first of these decisions was delivered by Judge Taft in 1890 in the case of *Moore vs. Bricklayers' Union et al.* This case involved the application of the law to what is known as a 'secondary boycott': that is, a boycott not against an employer, but against a third party dealing with an employer, who is a stranger to the controversy between the employer and the employee.

Moore had sold lime to the employer, Parker Brothers, who had been boycotted by the union. Parker Brothers had been boycotted because of their refusal to pay a fine imposed upon one of their employees and to reinstate a discharged apprentice. Moore, the plaintiffs, had been awarded damages by the jury on account of this secondary boycott, and it was this judgment of damages that was affirmed on appeal in an opinion by Judge Taft. This decision has been accepted as the correct exposition of the law: and the secondary boycott, that is, a boycott against a stranger to the trade dispute, has been practically abandoned by intelligent labor unionists as an unreasonable weapon. In other words, it has been conceded by the ablest labor leaders that it is not good policy to punish one's friends—employers who are running union shops—for the purpose of defeating one's enemies.

The labor decisions of Judge Taft while on the Federal bench related directly to the Federal character of such controversies, involving the power of the Federal Government to protect interstate commerce. There were only two such cases decided by him. The first of these was decided April 3, 1893, and was in the matter of the strike of the engineers of the Toledo and Ann Arbor Railroad. The engineers on strike refused to handle cars from complainants' road as long as the strike of the engineers on that road was unsettled. It is obvious that this action involved a paralysis of the business of interstate commerce. The To

road thereupon applied for an injunction against the connecting roads, alleging a combination violative of the interstate commerce act. The engineers of the defendant company had no grievances of their own; and their refusal to handle the freight of complainant's company was in no sense a strike for the betterment of their own conditions of service. Judge Taft's decision sustaining the injunction was accepted by the Railroad Brotherhood as a fair statement of the law under the peculiar conditions of the railroad service.

In the following year, 1894, came the great railroad strike inspired by the American Railroad Union, growing out of the strike of the Pullman employees at Pullman, Illinois. The officials of the union demanded all railroads to boycott Pullman cars and to declare a strike of employees on any railroad on their refusal to declare such a boycott. The Cincinnati Southern, an interstate railway, was in the hands of a receiver, and it applied to the court for protection against one Phelan (a Socialist), an official of the American Railway Union, who was engaged in inciting a strike among the employees of the road. There was no complaint by the employees of this road. The demand was that all traffic should be suspended and business paralyzed, union shops closed, and union industries destroyed, if necessary, until all the roads should consent not to carry Pullman cars. The purpose was to starve the public into compelling the Pullman Company to do something which the public had no right to compel it to do, and in the doing of this to inflict irreparable injury upon many industries employing union workmen and working union hours. If the unions had won in this strife, would not the price have been too great for the object attained? Phelan had used language defying the order of the court. After a hearing he was adjudged guilty of contempt in an opinion by Judge Taft, who at the same time emphasized the fact that employees had the right to quit their employment, but that they had no right to combine to injure their employer in order to compel him to withdraw from a mutually profitable relation with a third party for the purpose of injuring the third party, when the relation thus sought to be broken had no effect upon the character or reward of their services. But as the purpose of the combination was to tie up interstate railroads, not as the incidental result of a lawful strike for the betterment of the employees' own condition, but as a means of injuring a third party, it was an unlawful combination violative of the anti-trust act of 1890. Thus, if Phelan had urged a strike for higher wages, or to prevent the lowering of wages, he would not have been liable for contempt, but he had no right to incite men to quit when they had no grievance of their own to redress, for it was then essentially a boycott and not a strike.

The words of Judge Taft in the Phelan case, setting forth the rights of labor organizations under the law, were invoked and applied in favor of the labor unions in a notable case, that of a strike on the Wabash Railroad by the Brotherhoods of Railroad Trainmen and Firemen in 1903. The two brotherhoods, after failing to secure the advance wages and betterment of conditions demanded, had called a strike, and thereupon an injunction was filed by the railroad company against the officers of these brotherhoods. *The rights of organization and of representation, as set forth by Judge Taft, were made the basis of the argument by the attorney representing the brotherhoods, and the injunction was dissolved.* It was said in the opinion rendered by Judge Adams that on the subject of the organization of labor and the rights of labor unions no one had spoken more clearly and acceptably than Judge Taft.

#### The "Assumed Risk" Decision.

*One of the most notable services that Judge Taft rendered to organized labor while presiding over a court was with relation to "assumed risk" and "contributory negligence" on the part of a workman attempting to recover damages from an employer for injuries received while in the service of the latter. In 1895 the Supreme Court of Ohio, consisting of six judges, decided that Morgan, a coal miner, could not recover damages for injuries*



received in the explosion of fire damp, notwithstanding the fact that the State required the mine owners to keep their mines free of fire damp; that Morgan knew the company ignored the law, and therefore in accepting service with them he could not recover damages. A similar decision had been made in several other States. Judge Speer, who wrote the opinion in the Morgan case, said:

"One who voluntarily assumes a risk thereby waives the provision of the statute made for his protection."

Not only did this decision place a premium upon lawbreaking, but it rendered nugatory every law, made for the protection of the laboring classes, that was not respected by the employers. Only a law-observing employer was liable to damages. The labor organizations introduced a bill in the General Assembly of Ohio to abolish this infamous doctrine of assumed risk, but through the power of the railroads and other corporations and large employers it was referred to a hostile committee and there buried.

And now we come to the Narramore case, in which Judge Taft became the champion of the injured workman, and wrote a decision that, notwithstanding reversals in the higher courts and the bitter opposition of those who were opposed to abrogating the old doctrines, finally became in spirit and in letter the established law not only of Ohio, but of the nation.

Narramore was a brakeman. His foot became tightly wedged in an unblocked frog, which was left open contrary to the law of the State, and he was run down by a train and left a cripple, with a wife and children to support. The company was indifferent to the sufferings of the man and his family, and a suit was filed. The decision was against him, the railroad basing its defense on the decision in the Morgan case. The court in substance said that Narramore knew that the company violated the law with regard to blocking of frogs; that this violation was so flagrant and open that Narramore was bound to know of it; and that even though he was free from fault himself, still he had no case, as he had assumed the risk of working under the conditions as he saw them. Narramore's case was then carried to the United States Circuit Court of Appeals, presided over by Judge William H. Taft. Here at last was a judge who was broad enough to look beyond the moldy precedents of the dark ages. He overthrew the barbarous doctrine of "assumed risk," and gave to the workman in every dangerous vocation the rights that had so long been withheld from him. This decision of Judge Taft was the advance agent of blocked frogs, covered cogwheels, and guarded machinery. It eventually led to the resurrection of all the laws of Ohio that had been enacted for the protection of working men and women and which had been nullified by the action of the Supreme Court in the Morgan case. He said in part:

"The intention of the legislature of Ohio was to protect the employees of railways from injury from a very frequent source of danger by compelling the railway company to adopt a well-known safety device. And although an employee impliedly waives a compliance with the statute and agrees to assume the risk from unblocked frogs and switches by continuing in the service without complaint, *this court will not recognize or enforce such agreement.* The imposition of a penalty for the violation of a statute does not exclude other means of enforcement, and to permit the company to avail itself of such an assumption of risk by its employees is, in effect, to enable it to nullify a penal statute, and is against public policy."

Judge Taft was overruled, but the fight based on his opinions was continued until satisfactory statutes were secured.

#### The Federal Courts and Organized Labor.

As early as August 28, 1895, in an address delivered before the American Bar Association at Detroit, Michigan, he said:

"\* \* \* Though the law of supply and demand will doubtless, in the end, be the influence of fixing this division (between capital and labor), yet during the gradual adjustment to the changing markets and the varying financial conditions, *capital will surely have the advantage, unless labor takes united action.* During the betterment of business conditions, organized labor, if acting with reasonable discretion, can secure much greater concessions in the advance of wages than if it were left to the slow operation of natural laws, and, in the same way, as hard times



come on, the too eager employer may be restrained from undue haste in reducing wages. The organization of capital into corporations, with the position of advantage which this gave in a dispute with single laborers over wages, made it absolutely necessary for labor to unite to maintain itself. For instance, how could working men, dependent on each day's wages for living, dare to take a stand which might leave them without employment if they had not by small assessments accumulated a common fund for their support during such emergency.

"The efficacy of the processes of a court of equity to prevent much of the threatened injury from the public and private nuisances which it is often the purpose of the leaders of such strike to cause, has led to the charge, which is perfectly true, that judicial action has been much more efficient to restrain labor excesses than corporate evils and greed. If it were possible by the quick blow of an injunction to strike down the conspiracy against public and private rights involved in the corruption of a legislature or a council, Federal and other courts would not be less prompt to use the remedy than they are to restrain unlawful injuries by labor unions. *But I have had occasion to point out that the nature of corporate wrongs is almost wholly beyond the reach of courts, especially those of the United States. The corporate miners and sappers of public virtue do not work in the open, but under cover; their purposes are generally accomplished before they are known to exist, and the traces of their evil paths are destroyed and placed beyond the possibility of legal proof. On the other hand, the chief wrongs committed by labor unions are the open, defiant trespass upon property rights and violations of public order, which the processes of the courts are well adapted both to punish and prevent.*

The operation of the interstate commerce law is an illustration of the greater difficulty courts have in suppressing corporate violations of law than those of trade unions. The discrimination between shippers, by rebates and otherwise, which it is the main purpose of the law to prevent, is almost as difficult of detection and proof as bribery, for the reason that both participants are anxious to avoid its disclosures; but when the labor unions, as they sometimes do, seek to interfere with interstate commerce and to obstruct its flow, they are prone to carry out their purposes with such a blare of trumpets and such open defiance of law that the proof of their guilt is out of their own mouths. The rhetorical indictments against the Federal courts, that from that which was intended as a shield against corporate wrong, they have forged a weapon to attack the wage-earner, is in this way given a specious force which a candid observer will be blind to ignore.

As a matter of fact there is nothing in any Federal decision directed against the organization of labor to maintain wages and to secure terms of employment otherwise favorable. The courts so far as they have expressed themselves on the subject, recognize the right of men for a lawful purpose to combine to leave their employment at the same time, and to use the inconvenience this may cause to their employer as a legitimate weapon in the frequently recurring controversy as to the amount of wages. It is only when the combination is for an unlawful purpose and an unlawful injury is thereby sought to be inflicted, that the combination has received the condemnation of the Federal as well as of State courts.

#### Mr. Taft's Labor Record in the Philippines.

And now let every trade unionist follow Mr. Taft into the Philippines, and from the report of one of labor's most trusted representatives learn the truth; learn whether Governor-General Taft fitly represented the best that there is in our American civilization. If so, he relied not only upon the churches and the introduction of public schools to uplift a dependent people, but he encouraged the organization of unions on American lines to aid in the great work. No class of men will resent being imposed on more quickly than union workers, and those who have held up Mr. Taft as opposed to organized labor must now take the condemnation that honest men place upon falsifiers.

He wants no favors; he wants what every self-respecting trade unionist wants—justice, and he will get it from organized labor when the truth is illuminated and they understand him and know his record.

Mr. Edward Rosenberg, of San Francisco, was appointed by the American Federation of Labor a special commissioner to investigate labor conditions in the Far East. His reports were printed in the October and December (1903) numbers of the American Federationist, the official organ of the American Federation of Labor. The contrast between the deplorable conditions of the wage-earner in the Hawaiian Islands and the satisfactory state of affairs introduced by the administration of Governor-General Taft in the Philippines is well brought out by Mr. Rosenberg's exhaustive study. In the December (1903) American Federationist, he says:

"I would say that \* \* the plea of the Europeans and Americans for Chinese labor is prompted by the desire to quickly enrich themselves with the aid of cheap Mongolian labor. \* \*"

"If, on the other hand, the present policy of the Government is continued; if Chinese are excluded; if opportunity is given to labor to better its condition by the aid of trade unions; if children are educated along American lines, and if the greed of European and American adventurers is not allowed to rule the Philippine Islands as it now rules the Hawaiian Islands, the American people in another generation will be able to point with justifiable pride to the success of democratic institutions among an Asiatic people, and forget in these achievements the injustice by the conquest of arms of the Philippine Islands."

With regard to conditions in the Philippines as inaugurated and maintained by Governor Taft, Mr. Rosenberg further says (American Federationist, October, 1903):

"The civil government is slowly but steadily proving to the Filipinos that American rule is really trying to make the Filipinos as fit for self-government as the American people are; that the purpose of American rule is not the exploitation of the natives, but their elevation. Should Chinese be allowed in here and the inevitable lowering of the already low wages take place, the work of the Commission would be undone, and where now hope of a better day is springing up in the hearts of the natives, sullen despair and dangerous resentment would take its place.

"My investigations as to the present system of exclusion, carried on under the law of April 20, 1902, shows that so far as it is known it effectively excludes the Chinese. \* \*"

"The trade unions constitute a great moving force for the betterment of the conditions in these islands. With their aid wages have been raised and many abuses abolished, and though the present system is crude and faulty, steps are now being taken to place it on the well-tried trade union lines as adopted in the United States and affiliate the movement here with the American Federation of Labor. \* \* In June, 1899, the Filipino workers of Manila made the first attempt to organize trade unions. In a short time unions of barbers, cigar makers, tobacco workers, clerks, carpenters, wood workers, printers, lithographers, and others were formed. No attempt at federation was made until the return from Spain of Isabelo de los Reyes in June, 1901. Reyes had been banished from Spain by the Spanish Government for urging reforms in the islands. He quickly succeeded in federating the respective unions, and was chosen President. He held this position for a little over a year. Many unions were organized during that period, the number of unions in June, 1902, being 150, with a membership estimated at 20,000. \* \*"

"The local American press and employers of labor generally denounced Reyes, resulting in his being charged, under an old Spanish law, 'with conspiring to raise wages of laborers.' In September, 1902, he was found guilty and sentenced to four months in jail. He served two months and was then pardoned by Governor Taft."

Governor Taft pardoned the man not because he was not properly convicted under the law, but because, as he said:

"The statute is not in accordance with modern American views. The right of laborers to unite for the purpose of enhancing labor by withdrawing from the employment of those who make the demand for labor is generally conceded under American jurisprudence. In the new criminal code \* \* the American rules of jurisprudence are recognized, and no combination merely to enhance labor can be wrongful because of the excessive price requested or of the number engaged in the combination. For this reason, and because I do not think the statute as construed to be in accordance with American principles, I shall pardon Isabelo de los Reyes and remit what remains of his sentence."

Mr. Rosenberg speaks of a personal meeting with Governor Taft. What he says is now of particular significance, in view of the charge that some have made that Secretary Taft only became favorable to organized labor after he became a candidate for the Presidency. The quotation from Mr. Rosenberg's report follows:

"On June 21 Governor Taft returned from Baguio, the summer capital of the civil government, and on the 23rd I had an interview with him, desiring to know the attitude of the Governor



toward the organization of the workers. He said he favored the organization of the workers in trade unions, and had so stated, but that the Union Obrera Democratica de Filipinas of late had only harmed the cause of the workers, and the courts had to interfere. He wished success to the present movement to organize the workers on proper trade union lines. He referred me also to certain portions of his report for the year ending October 1, 1902. I quote the following from Governor Taft's report:

"During the year 1902 there has been a movement for the organization of labor in the city of Manila, which doubtless will spread to other parts of the islands. It has been regarded, because of abuses which crept in, as an unmixed evil. I can not think it to be so. If properly directed, it may greatly assist what is absolutely necessary here, to wit, the organization of labor and the giving to the laboring class a sense of the dignity of labor and of their independence. The labor organizations in the city of Manila are very much opposed to the introduction of Chinese labor, and their declaration upon this point will find ready acquiescence in the minds of all Filipinos with but few exceptions. The truth is that, from a political standpoint, the unlimited introduction of the Chinese into these islands would be a great mistake. I believe the objection on the part of the Filipinos to such a course to be entirely logical and justified. The development of these islands by Chinamen would be at the expense of the Filipino people, and they may very well resent such a suggestion."

#### **Blacklisted Laborer Should be Allowed Injunction.—Injury of Railway Employees.**

At the close of Mr. Taft's speech before Cooper Institute in New York City on January 10, 1908, among other questions he was asked the following:

"Why should not a blacklisted laborer be allowed an injunction as well as a boycotted capitalist?"

Mr. Taft promptly answered:

"He ought to be, and if I was on the bench I would give him one mighty quick."

In Mr. Taft's speech at Columbus, Ohio, on August 19, 1907, he said, with regard to the injury of railway employees:

"The frightful loss of life and limb among the railway employees of this country, reaching more than 4,000 killed and 65,000 injured in one year, has properly attracted the attention of Congress and the legislatures. It makes apparent that service in connection with trains of a railway is an extra hazardous business and may well call for Government supervision and exceptional rules to secure the safety of the passengers and reduce the danger to employees."

With regard to a statutory rule for liability of interstate railways to employees, he said:

"Finally, it has regulated the rules for liability of an interstate railway company to an employee injured in its service. This is a most important measure, for an unfortunate lack of uniformity has existed heretofore in respect to the rules of liability in such cases, dependent on the court in which the case has been tried. The new statute makes everything uniform as to interstate railroads. It has introduced into the Federal law what is called the comparative negligence theory by which, if an employee is injured, proof of negligence on his part does not forfeit his claim for damages entirely unless the accident was due solely to his negligence. If there was negligence by the company, the jury is authorized to apportion the negligence and award compensation for the proper part of the damage to the employee and the question of negligence is always for the jury."

"The most important provision of this law, however, is that abolishing what is known as the fellow-servant rule, by which an employee injured cannot recover from his employer for injury sustained through negligence of a co-employee. This rule was incorporated into the law by Chief Justice Shaw, of Massachusetts, on the ground of public policy. It was acquiesced in by the courts of England and of this country. Whatever may have been the wisdom of the rule originally, a change of conditions justifies its abrogation."

**MR. TAFT'S ANSWERS, JANUARY 6, 1908, TO QUESTIONS PRO-  
FOUNDED BY THE PRESIDENT OF THE OHIO FEDERATION OF LABOR.**

**Approves Defining Parties' Rights.**

"I see no objection to the enactment of a statute which shall define the rights of laborers in their controversies with their former employers. As this statute would fix the lawful limits of their action, it would necessarily furnish a definite rule for determining the cases in which injunctions might issue, as well as their character and scope. It should be said that this statute, however, if enacted by Congress, could relate only to the District of Columbia or some place within the exclusive jurisdiction of the Federal government, or to those employers and employees whose relations are within congressional definition and control.

"Generally, the law governing the relation between employer and employee is a State law and is only enforced in the Federal courts when the jurisdiction arises by reason of the diverse citizenship of the parties. Speaking generally, however, both as to Federal and State legislation, I see no objection to a statute which shall, so far as possible, define the rights of both parties in such controversies more accurately. Indeed, the more exactly the lawful limitations on the actions of both parties are understood, the better for them, and for the public.

**Hearing Before an Injunction.**

"Second. You ask me what I think of a provision that no restraining order or injunction shall issue, except after notice to the defendant and a hearing had. This was the rule under the Federal statute for many years, but it was subsequently abolished. In the class of cases to which you refer I do not see any objection to the re-enactment of that Federal statute. *Indeed, I have taken occasion to say in public speeches, that the power to issue injunctions ex parte has given rise to certain abuses and injustice to the laborers engaged in a peaceable strike.* Men leave employment on a strike; counsel for the employer applies to a judge and presents an affidavit averring fear of threatened violence and making such a case on the ex parte statement that the judge feels called upon to issue a temporary restraining order. The temporary restraining order is served on all the strikers; they are not lawyers; their fears are aroused by the process with which they are not acquainted; and, although their purpose may have been entirely lawful, their common determination to carry through the strike is weakened by an order which they never have had an opportunity to question, and which is calculated to discourage their proceeding in their original purpose. To avoid this injustice, I believe, as I have already said, that the Federal statute might well be made what it was originally, requiring notice, and a hearing, before an injunction issues.

"Third. In answer to your third question, it would seem that it is unnecessary to impose any limitation as to the time for a final hearing, if, before an injunction can issue at all, notice and hearing must be given. The third question is relevant and proper, only should the power of issuing ex parte injunctions be retained in the court. In such case, I should think it eminently proper that the statute should require the court issuing an ex parte injunction to give the person against whom the injunction was issued an opportunity to have a hearing thereon within a very short space of time, not to exceed, I should say, three or four days.

**Might Designate Another Judge.**

"Fourth. Your fourth query is, in effect, what I would think of a provision in such cases by which the contemnor—that is, the person charged with the violation of an order of injunction—might object to the judge who issued the injunction as the one to try the issue whether the injunction had been violated, and to fix punishment in case of conviction, and thereby require



another judge to try the issue and impose sentence, if necessary. In Federal courts in such a case it would be proper to provide that the senior circuit judge of the circuit should, upon the application of the defendant or contemnor, designate another district or circuit judge to sit and hear the issue presented. I do not think such a restriction would be unreasonable. In most cases it would be unnecessary. But I admit that there is a popular feeling that in contempt proceedings, and the very name of the proceedings suggest it, that the judge issuing the injunction has a personal sensitiveness in respect to its violation and therefore that he does not bring to the trial of the issue presented by the charge of contempt of his order the calm, judicial mind which insures justice.

#### **Opposes Jury Intervention.**

"I think that this popular feeling is, in most cases, unfounded, but I believe that it is better, where it can be done without injuring the authority of the court and the efficiency of its process, to grant such a privilege to the contemnor and thus avoid an appearance of injustice, even at some inconvenience in the matter of securing another judge. There is some analogy, though it is not complete, between the exclusion of a judge from sitting in the court of appeals to review a decision of his own, which now obtains in the practice of the Federal Court of Appeals, by statute, and the present suggested case. It is of the highest importance that the authority of the court to enforce its own orders effectively should not be weakened and therefore I am opposed to the intervention of a jury between the court's decree and its enforcement by contempt proceedings. It would mean long delay and greatly weaken the authority of the court.

"I do not think that the permission to change the judge, however, would constitute either serious delay or injure the efficacy of the order, while it may secure greater public confidence in the justice of the court's action. The appearance of justice is almost as important as the existence of it in the administration of courts."

#### **Concluding Remark.**

The foregoing facts, coupled with what is more generally known with regard to his great achievements as a jurist and a public official, should appeal to every man of right reasoning in such manner as to convince him that, as President of the United States, Mr. Taft's great intellect and power would be found valiantly contending for the rights of the laboring, producing people.

#### **Mr. Taft's Own Views, Expressed in His Own Words.**

Mr. Taft discussed this subject fully and frankly in his speech of acceptance of the nomination for the Presidency, delivered to the Notification Committee, at Cincinnati, July 28, 1908. The speech is printed in full in this volume, and the student of this subject is especially referred to that portion thereof which states his views in his own words and in such detail as this important subject deserves.

#### **THE LABOR DECISIONS OF JUDGE TAFT.**

*By Frederick N. Judson, Attorney for the Railroad Brotherhood,  
Reprinted from the August, 1907, Review of Reviews.*

The present Secretary of War, Hon. William Howard Taft, has had the exceptional experience of beginning his distinguished public career with judicial service on the State, and thereafter serving on the Federal bench. He was justice of the Superior Court of Cincinnati from 1887 to 1890, and among his immediate predecessors in that court were Hon. Judson Harmon, ex-Attorney-General of the United States; Hon. John B. Foraker, ex-Governor and now United States Senator. After some two years' service as Solicitor-General under President

Harrison, Mr. Taft was appointed judge of the Circuit Court of the United States, holding that position until 1900, when he resigned to accept the appointment of Governor of the Philippines.

It has been intimated from time to time, though not very definitely, that certain decisions of Judge Taft while on the bench were unfriendly to organized labor. Such suggestion, analyzed in view of the position of the judiciary in our political and judicial system, is really an imputation upon the intelligence of the electorate. A judge does not make the law, nor does he decide cases according to his private judgment of what the law ought to be; but he declares and applies the rules of law to the facts presented as he finds them in the statutes or adjudged precedents, the recorded depositories of the law.

It is true that our unwritten and non-statutory law has been termed judge-made law. But it is only in a very limited sense, if at all, that this expression is applicable to the case of an individual judge. His personality may be impressed upon the development of the law, as that of Judge Taft was doubtless impressed, by the clearness of his grasp of the fundamental principles of the law in their application to new conditions; but his opinions must be in harmony with the current trend of judicial authority, and, in the last analysis, with the advance of an enlightened public opinion. We have had frequent instances in this country where a judge, after leaving the bench, have become candidates for public office, but very rarely have the judicial decisions of a judge ever been discussed with reference to his availability for a public office. The reason is obvious. The high intelligence of our American electorate recognizes that the judges do not speak their individual judgments, but, in the words of Blackstone, "are the living oracles of the law," who declare and apply the laws of the land.

It is to be assumed, therefore, that Judge Taft decided cases involving the rights and duties of labor and capital, as he decided other cases which came before him, according to the law and facts as presented for determination. It has not been intimated that he did not declare the law correctly, or that his decisions were bad law in any legal sense. What, therefore, is really meant by the suggestion is that the law as declared in certain decisions of Judge Taft was unsatisfactory to certain class interests. While this impersonal position of a judge is clearly recognized, there is so much public interest in questions relating to the legal rights and duties of combinations, both in capital and labor, that the decisions of Judge Taft in this class of cases should be clearly understood, and therefore will be briefly reviewed from a legal and not from a partisan point of view.

#### **Moore vs. Bricklayers' Union et al.**

The first of these opinions was delivered by Judge Taft while on the Superior Court bench of Cincinnati in 1890, in the case of *Moore vs. Bricklayers' Union et al.* (23 Weekly Law Bulletin, 48). This case is interesting as involving the application of the law to what is known as a secondary boycott, that is, boycott not against an employer, but against a third party dealing with an employer, who is a stranger to the controversy between the employer and employee.

This was not an injunction suit, nor did it involve any issue between the employees and their employer, either directly or through any refusal to handle in other places the so-called "struck work" from the shop of the employer. It was a secondary boycott pure and simple, in the form of a suit for damages incurred by the plaintiff through a boycott by the Bricklayers' Union, declared on account of the plaintiff's selling lime to the employer, Parker Bros., who had been boycotted by the union. This primary boycott had been declared against Parker Bros. by the Bricklayers' Union because of their (Parker Bros.) refusal to pay a fine imposed upon one of their employees, a member of the union, and to reinstate a discharged apprentice.

Parker Bros. had brought suit and had recovered damages



before a jury in another court against the same defendant on account of this same boycott (21 *Weekly Law Bulletin*, 223.) Moore Bros., the plaintiffs, had been awarded \$2,250 damages by the jury on account of this secondary boycott, and it was this judgment which was affirmed on appeal in an opinion by Judge Taft. The case has become a leading one on the law of boycotting. The right of legitimate competition in business with the incidental injuries resulting therefrom, as illustrated in the then recently decided *Mogul Steamship* case in England, was distinguished by Judge Taft from the case then at bar, where the immediate motive of injuring plaintiff was to inflict punishment for refusing to join in the boycott of a third party. Such a motive made the act malicious and legally unactionable in the case of an individual and *a fortiori* in the case of a combination. It was said, after reviewing the English cases: "We do not conceive that in this State or country a combination by workmen to raise their wages or obtain any material advantage is contrary to the law, provided they do not use such indirect means as obscure their original intent, and make their combination one merely malicious, to oppress and injure individuals."

It was further said that a labor union could provide for and impose a penalty against any of their members who refused to comply with such regulations as the association made. They could unite in withdrawing from the employ of any person whose terms of employment might not be satisfactory to them, or whose action in regard to apprentices were not to their liking, but they could not coerce their employer by boycotting him and those who dealt with him; that even if acts of this character and with the intent are not actionable when done by individuals, they become so when they are the result of combination, because it is clear that the terrorizing of the community by threats of exclusive dealing in order to deprive one obnoxious member of means of sustenance would become both dangerous and offensive. This decision, subsequently affirmed by the Supreme Court of Ohio without opinion, has been accepted as the correct exposition of the law, and the secondary boycott, so-called, that is, a boycott against a stranger to the trade dispute, has been practically discontinued and abandoned by intelligent labor unionists as an unwise and unreasonable weapon in such controversies.

#### **Toledo and Ann Arbor Engineers' Strike of 1893.**

The so-called labor decisions of Judge Taft while on the Federal bench related directly and primarily to the Federal character of such controversies, in that they involved the supremacy of the Federal power in the protection of interstate commerce. Though there were only two such cases decided by him, the decisions attracted general attention on account of the widespread industrial disturbances in 1893-4.

The first of these cases was decided April 3, 1893, in the matter of the strike of the engineers of the Toledo and Ann Arbor Railroad (54 Fed. Rep., 730). The engineers on strike were members of the Brotherhood of Locomotive Engineers, of which P. M. Arthur was the chief. Under the then rule of the brotherhood, known as rule twelve, the engineers in the employ of the connecting railroad companies, members of the brotherhood, refused to handle and deliver any cars of freight from complainant's road as long as the strike of the engineers of that road, who were members of the brotherhood, was unsettled. It was obvious that this involved practically a paralysis of the business of interstate commerce between the complainant and the defendant railroads. The Toledo road thereupon applied for an injunction against the connecting roads, alleging the existence of a combination violative of the Interstate Commerce Act, preventing the performance of their duties in regard to interstate commerce in the exchange of traffic, and asked the court to enjoin this unlawful interference. A motion was filed by the complainant for a temporary injunction against Mr. Arthur to restrain him from enforcing rule twelve, whereunder the employees of the defendant companies were refusing to handle the cars of the complainant company.

The opinion of the Court by Judge Taft was notable in its clear expression of the power of a court in the issuance of a mandatory preliminary injunction where necessary to prevent irreparable injury. "The normal condition," it was said,—"the *status quo*,—between connecting common carriers, under the Interstate Commerce law is a continuous passage of freight backward and forward between them, which each carrier has a right to enjoy without interruption, exactly as riparian owners have a right to the continuous flow of the stream without obstruction." Usually the *status quo* in the injunction can be preserved until final hearing by an injunction prohibitory in form, but where the *status quo* is not a condition of rest, but of action, the condition of rest, that is, the stoppage of traffic, will inflict irreparable injury not only upon the complainant but the public. In such cases it is only a mandatory injunction compelling the traffic to flow as it is wont to flow, which will protect the complainant from injury. The form of the remedy must be adapted to the emergency, and where the continuity of interstate traffic is threatened an injunction mandatory in term is often the only effective remedy.

Still more important was the opinion in its clear analysis of the position of employees of railroads engaged in interstate traffic, and their rights and duties as such employees under the Interstate Commerce act. The relation of such employees to their railroad companies is one of free contract, and is not analogous to that of seamen in the maritime service, who, to a certain extent, surrender their liberty in their employment and are punishable for desertion. The employment, therefore, in the case of railroad employees, was terminable by either party. The court could not compel the enforcement of personal services as against either the employer or the employed against the will of either. The court said especially was this true in the case of railroad engineers, where nothing but the most painstaking and devoted attention on the part of the employed will secure a proper discharge of his responsible duties; and it would even seem to be against public policy to expose the lives of the traveling public and the property of the shipping public to the danger which might arise from the enforced and unwilling performance of so delicate a service. While a court of equity could not specifically compel the performance of a contract for personal service, it did not follow that there were no limitations upon the right of employees to abandon their employment,—that is, as to the time and place of the exercise of such right (see remarks of Supreme Court in *Lemon* case, 166, U. S.), so as to avoid imperiling life or property.

Though the relation of railroad employer and employed was one of free contract, the court also held that while the relation continues they were bound to obey the statute compelling the interchange of interstate traffic, and also bound by the orders of the court enjoining their employer corporation from refusing such interchange. A combination of the employees to refuse, while still holding their positions, to perform any of the duties enjoined by law or by the court upon their employer, would be a conspiracy against the United States and punishable as such.

The court therefore held that the mandatory injunction was properly issued against Arthur, compelling him to rescind the order to the engineers in the employ of the defendant directing them not to handle complainant's freight.

The engineers of the defendant companies had no grievances against their own employing companies; and their refusal to handle freight of complainant company was in no sense a strike for the betterment of their own conditions of service, and was therefore not a strike but a boycott, and this would necessarily paralyze the movement of interstate traffic.

The effect of this decision was far-reaching. It was the first judicial declaration of the duties of railroad employees in interstate commerce. It was followed in other circuits and was not only approved by the general public, but was accepted by the railroad brotherhoods as a fair statement of the law under the peculiar conditions of the railroad service. The result



was the abrogation of rule twelve by the brotherhood of the engineers, and since that time, as was signally shown in the extensive railroad strike of the following year, the railroad brotherhoods, not only the engineers, but the conductors, firemen, and trainmen, have been conspicuous for their conservatism in the adjustment of differences with the management of their respective companies.

#### The Phelan Contempt Case.

In the following year, 1894, came the great railroad strike inspired by the American Railway Union, growing out of the strike of the Pullman employees at Pullman, Ill. The officials of the union demanded all the railroads to boycott the Pullman cars, and declared a strike of the employees on any railroad on their refusal to declare such a boycott. The Cincinnati Southern, an interstate railway, was in the hands of a receiver, who had been theretofore appointed by the United States Court of Ohio, and the receiver applied to the court for protection against one Phelan, an official of the American Union, who was engaged in inciting a strike among the employees of the railroad. There was no complaint by the employees of this road, as there had been none by the employees in the Arthur case, for the betterment of their condition of service. The demand was that all traffic should be suspended and business paralyzed until all the roads should consent not to carry Pullman cars. In the words of the court, the purpose was to starve the railroad companies and the public into compelling the Pullman company to do something which they had no lawful right to compel it to do.

It seems that a restraining order had been issued by the court prohibiting interference with the management of the receiver in the operation of the road, and Phelan had used language defying his order. He was thereupon attached for contempt, and after a hearing was adjudged guilty of contempt in an opinion by Judge Taft (62 Fed. Rep., 803). The opinion emphasized the same distinction which had been pointed out in the Arthur case in the preceding year. The employees had the right to quit their employment, but they had no right to combine to injure their employer, in order to compel him to withdraw from a mutually profitable relation with a third party for the purpose of injuring the third party, when the relation thus sought to be broken had no effect whatever upon the character or reward of their services. As the purpose of the combination was to tie up interstate railroads, not as an incidental result of a lawful strike for the betterment of the employees' own conditions, but as a means of injuring a third party, it was an unlawful combination, violative of the anti-trust act of 1890. It was also a direct interference with interstate commerce.

Thus, if Phelan had come to Cincinnati and had urged a strike for higher wages, or to prevent lowering of wages, he would not have been liable for contempt, but he had no right to incite the men to quit, when they had no grievances of their own to redress, as it was then essentially a boycott and not a strike.

It was in this Phelan case that Judge Taft, in determining the limits of the rights of labor organizations, made this lucid and notable statement of the extent of their rights, which has been frequently quoted:

The employees of the receiver had the right to organize into or join a labor union which would take action as to the terms of their employment. It is a benefit to them and to the public that laborers should unite for their common interest and for lawful purposes. They have labor to sell, and if they stand together they are often able, all of them, to obtain better prices for their labor than dealing singly with each employer, because the necessity of the single employee may compel him to accept any price of which he is offered. The accumulation of a fund for those who have lost their wages, and have the legitimate market value of such labor as desirable, they have the right to appoint officers, who shall advise them as to the course to be taken in relations with their employers; they may make such other unions. The officers they appoint, or any other person they choose to listen to, may advise them as to the proper course to be taken, both in regard to their common employment, or if they choose to appoint any one, he may order them in pain of expulsion from the union, practically to leave the employ of their employer because any of the terms of the employment are unsatisfactory.

This declaration of the right of organization and representation of labor unions has often been cited and quoted in support of the unions, and was applied, as will be seen, most effectively in their behalf in the Wabash strike of 1903.

The jurisdiction of the United States courts in the protection of interstate commerce, and the supremacy of the Federal power in such questions, were therefore fully sustained by the Supreme Court of the United States (see *in re Debs* case, 158 U. S., 564; also *in re Lemon*, 166 U. S. 548).

The reason of the prompt acceptance of this application of the law by Judge Taft was the universal recognition that a boycott by railroad employees in interstate commerce, as distinguished from a strike, was impracticable and inadmissible, in view of the paramount public interest concerned. It is true that in ordinary trade disputes the public convenience and even public necessities are not always given the weight they should have. But wherever interstate or foreign commerce are involved the public interest is made paramount by the laws of the United States. All classes of the community, workingmen as well as capitalists, are interested in the proper transmission of the mails and in the uninterrupted passage of person and freight. This principle of the protection of commerce against interruption has become firmly entrenched in our jurisprudence. Under the law declared in these cases, our commerce is subject to be interrupted only by the incidental injury resulting from cessation of service, and not by boycotts or sympathetic strikes not related to the bettering of the conditions of the employees' service. That this principle is firmly established is primarily owing to the clear and courageous enunciation of the law by Judge Taft.

#### The Addyston Pipe & Steel Company Case.

The same principle of the freedom of interstate commerce from illegal restraint declared in the Arthur and Phelan cases was also held by Judge Taft to apply to a business combination, or a "trust," in the Addyston Pipe & Steel Company case (85 Fed. Rep., 271). In this case there was an allotment of territory, comprising a large part of the United States, among a number of companies engaged in the manufacture of iron pipes, and in that territory competition was eliminated through this allotment of territory, and through a system of pretended bidding, giving an appearance of competition, at public lettings, when in fact there was no competition. The decision of the Court of Appeals, rendered by Judge Taft, was afterward affirmed by the Supreme Court of the United States. His opinion is a notable contribution to the law, in its masterly analysis of the essential distinction between the legitimate contracts in restraint of trade, which are merely ancillary, or incidental, to some lawful contract, and necessary to protect the enjoyment of the legitimate fruits of that contract, and the agreements where the sole object is a direct restraint of competition, and to enhance and maintain prices. These latter agreements are unenforceable at common law, and are violative of the anti-trust act when made with reference to interstate commerce.

The distinction here so clearly pointed out has been the basis of the construction of the anti-trust act by the United States Supreme Court in all its subsequent decisions.

#### Judge Taft's Opinion Supports the Union in Wabash Strike Case.

The words of Judge Taft in the Phelan case quoted above, setting forth the rights of labor organizations under the law, were directly invoked and applied on behalf of the labor unions in a notable case, that of the threatened strike on the Wabash Railroad by the Brotherhoods of Railroad Trainmen and Firemen in 1903 (121 Fed. Rep., 563). In this case, the representatives of these two brotherhoods, after failing to secure the advance of wages and betterment of conditions demanded by the brotherhoods, had been forced to call a strike as their last

resort, and thereupon an injunction was filed by the railroad company, in the United States Circuit Court in St. Louis, against the officers of these brotherhoods, enjoining them from calling a strike on the Wabash, as an interstate railroad, on the ground, among others, that the officials of the brotherhoods were not employees of the railroad, and that their action in combining in calling a strike would be a direct interference with interstate commerce, and was therefore an unlawful conspiracy.

The rights of organization and the rights of representation, as set forth by Judge Taft, were thus directly involved. The writer represented those brotherhoods in the hearing on the motion to dissolve the injunction granted in this case, and used the above quoted statement of Judge Taft as the most lucid and effective defense of the action of the brotherhoods and their officials. The Court (Judge Adams) found from the evidence that there was an existing dispute about the conditions of service on the railroad, and that the officials of the brotherhood had been directed by the members of the brotherhoods to call a strike; that they had a right to be represented in such matters by their own officials, and that the two unions had a right to act in unison in their effort to secure the betterment of the conditions of their members, that an agreement to strike under those circumstances was not an unlawful conspiracy, and the injunction was therefore dissolved. It was said in the opinion that on the subject of the organization of labor, and the right of labor unions, no one had spoken more clearly and acceptably than Judge Taft, in this language above quoted. (After the dissolution of the injunction, the differences between the railroad and its employees was amicably adjusted, and the threatened strike was averted.)

Thus, while the law was declared by Judge Taft as to the limitations upon the lawful actions of labor unions, the essential principles involved in the right of organization were also announced by him in the same opinion. This right of organization of workmen in the unions would be futile without the right of representation by their own officials in the effort to secure the betterment of their conditions. The remedies adopted by workmen, sometimes mistaken remedies for the enforcement of their rights, such as the closed shop and the boycott, are only weapons for the enforcement of the fundamental right of collective bargaining for the common benefit. There is no foundation, therefore, for the suggestion that the decisions of Judge Taft were in any sense unfriendly to labor, and it is clear that through his lucid declarations of the rights of labor the railroad brotherhood secured the judicial vindication of their rights of combination and of representation in their demands for the betterment of their conditions.

While these important decisions were rendered by Judge Taft, declaring the freedom of interstate commerce from illegal combination both of labor and capital, the limitations upon the rights of organized labor, as well as the essential principles involved in the right of organization for the betterment of their conditions, it would be an imputation upon the brilliant judicial record of Judge Taft to suggest that in any of these opinions he declared the law as a friend of any class, or that he made any judicial utterance in any of the cases otherwise than a living oracle of the law, bound to declare, in every case brought before him, not his own private judgment, but the judgment of the law.

#### William H. Taft as a Judge Upon the Bench.

[By Richard V. Oulahan.--From the August, 1907, Review of Reviews.]

Mr. Taft is the very personification of energy. He is a human steam engine. He is always busy. Work, and hard work, is his pleasure. A handsome man, he would attract attention from that circumstance alone. He breathes good will and suggests mental, moral, and physical wholesomeness. Yet, with all his pleasant informality and his frequent laughter, he has a dignity of manner and carriage that commands respect and



attention. You feel that he is a man of brain power, one of the few men who seem to grow greater the more intimately you know them.

Captain Seth Bullock, plainsman and friend of President Roosevelt, paid, in homely phrase, one of the highest tributes that could be paid to any human being, when he was asked his opinion of Mr. Taft. Captain Seth has the plainsman's reticence of speech. He could not gush if he tried. "What is it about Taft that you like?" he was asked. He hemmed and hawed before he answered, "He's simply all right. He's a man you don't have to be introduced to twice."

It is this ability to make people feel at their ease that is one of Mr. Taft's greatest charms. He seems to take an interest in everybody he meets. There is nothing of the politician in his method of treating people. His manner is too natural to be studied. The farmer's boy who comes to Washington to find out about the chances of getting an appointment to the Military Academy is on friendly terms with the Secretary of War after they have talked five minutes. The statesman, the military hero, the newspaper correspondent, the department clerk, are all treated alike when they call on Mr. Taft. He plays no favorites among those whom he believes to be fair and square.

#### **The New England Conscience.**

Mr. Taft has the New England conscience, and this helped him in his judicial career. If he thinks a thing is wrong he does not hesitate to say so. This phase of his character takes a peculiar form. He will go out of his way to avoid hurting the feelings of any of his fellow-men; he does not like to inflict pain; but frequently, when it was to his personal and political advantage to be silent, he has spoken out, because silence would mean a misunderstanding of his attitude. He wanted everybody to know how he stood. When he went to Ohio in 1905 to serve as temporary chairman of the Republican convention he made a speech which was in substance an appeal to his party brethren to smash on election day the Republican machine in Cincinnati. Taft was talked of at that time as a Presidential possibility. He knew that his course would injure him in the party organization; that he would make enemies of many whose friendship would be valuable if he were a candidate for an elective office. But to him words of praise for the Republican machine ticket in Cincinnati or silence on the subject meant hypocrisy, and his New England conscience told him to go to the other extreme. It is this peculiarity in Taft's temperament which amazes those friends of his who think he should trim his sails in the winds of popularity.

He exhibited the trait while he was on the Federal judicial bench. The prospect of the political future cut no figure with the young jurist. He had no apologies to make for his course at that time and would not brook any questioning of its fairness. Today, as a candidate for the Presidential nomination, with the labor element as a powerful factor in the determination of the result, he will not hesitate to tell exactly what he did as a judge when labor injunction cases were brought before him. If anybody anxious to injure Mr. Taft's prospects for the Presidency wishes to get the record of his course in the labor cases he need not pursue secret methods to obtain the information. Let him apply to the office of the Secretary of War, Room 226, second floor, War Department Building, Washington, D. C., and a genial gentleman of large frame will furnish it cheerfully. Taft is not ashamed of anything he has done or afraid of the consequences of it.

Taft was thirty when he became a judge of the Superior Court in Cincinnati and only thirty-five when he was appointed a judge of the United States Circuit Court. His ambition had tended to the Federal bench, and this office appeared to pave the way for the realization of his wish to be a member of the highest tribunal. The world knows how, when offered an appointment as an Associate Justice of the United States Supreme Court, which meant the fulfillment of his heart's desire,



against them by powers whose interests there were less in magnitude than their own, and whose right to extend a foreign colonial system in defiance of the treaty rights of other nations rested on no solid basis of necessity or equity.

**Oriental Trade Opportunities Especially Important to the United States.**

The rapid increase of the exports of American manufactures of late years has furnished convincing evidence not only of the expansion of the productive capacity of the country, but of the necessity of maintaining for the benefit of future generations all the outlets for the results of American skill and labor which they now command. He must be a very shallow student of recent history who fails to see that the conquest of markets by military force is a phase of international rivalry which must be reckoned with no less than their acquisition by the improvement of processes of manufacture and the widening of the field of commercial enterprise. It will avail us little to be able to produce more skillfully or economically than our rivals if they have been ahead of us in the creation of a sphere of territorial influence over which they can throw the protection of an adverse tariff reinforced by constant official pressure in favor of their own manufactures.

It is such considerations which have inevitably brought the United States to the position which it now occupies in regard to affairs in China. Had the thinly veiled designs of the great military powers of Europe against that ancient Empire been left to work themselves out, one certain result would have been to nullify the advantages we possess on the Pacific, and render meaningless every effort we have made to confirm our influence as the greatest of Pacific powers. The natural outcome of these designs could have been nothing less than the partition of the most populous of empires and the richest of all the unexploited regions of the earth among the great powers of Europe, to the destruction of all the rights of trade which we have acquired by treaty with that empire, and to the exclusion for all time of our influence and enterprise from the gigantic and immensely profitable undertaking of equipping China with the appliances and supplying it with the products of modern civilization. It is not the disposal of the cruder products of the field and the mine that need give us any concern. Other nations must buy these to the extent that they fail to extract them from their own soil, and were we content to be exporters merely of cotton, grain, oil, copper, and pig iron, we need give little thought to the way in which the policy of other nations may affect our possible markets. But this country is destined to be the greatest producer and exporter in the world, no less of manufactured articles than of the great primary products which are the foundation of its wealth and greatness.

Were the Middle Kingdom, with all its possibilities and opportunities, part of the continent of Africa, we might have an equally strong commercial interest in its future, but we should hardly be justified in offering to its partition a more vigorous resistance than we made to the passage of Madagascar under French sovereignty and the consequent disappearance of a highly promising market. But in the case of China the commercial interest is reinforced by political considerations of acknowledged potency, by reasons of policy which are founded on a due regard for the free and full development of our national greatness. In short, the place which the United States occupies in the world and the place which it should occupy in future ages is equally challenged by every step made toward the dismemberment of China. It would be for us a disaster of the first magnitude to have on the other side of the Pacific Ocean another Europe facing us, with hundreds of thousands of Chinese mercenaries bearing modern arms and trained by European soldiers as a standing army for each of the spheres of European sovereignty. Such a state of things would be a menace to the peace of the world and to the interests of the United States more serious than any other combination of events which history can possibly have in store.

**Mr. Taft as Our International Reconciler.**

With the force of these considerations, no American public man has been so strongly impressed as William H. Taft, and none has had so many opportunities for their thorough investigation. He has learned by observation on the spot what are the enormous possibilities for commerce offered by a new and progressive China; he has been able to measure at close range the expanding capacity of the Japanese market for American products. Personal intercourse with the men who direct the policy of both countries has given Mr. Taft an insight into the influences which are shaping the destiny of the peoples of the Far East, such as but few of his contemporaries possess. As a result of one of the frequent calls made upon him to fill the rôle of international reconciler, he has appeared as a kind of semi-official envoy both in Japan and China at a time when an authoritative statement of the relations between this country and both of them was invested with unusual importance.

The addresses which Mr. Taft found occasion to make in Japan were as notable for their unqualified repudiation of the idea that there existed any serious cause of difference between the two nations as they were for a frank and dignified assertion of the principles of international conduct, respect for which the United States holds to be demanded alike by the best interests of all competitors for the trade of the Far East, and by the welfare of the people with whom that trade must be conducted. The Chinese magnates who cooperated to make Mr. Taft's second visit to Shanghai a memorable event greeted him in terms seldom applied to a foreigner, and the Chinese merchants of Shanghai combined to make the visit replete with special marks of honor for a guest who represented to them the justice, the disinterestedness, and the magnanimity of the American people.

**"THE BEST EQUIPPED CANDIDATE WITHIN THE MEMORY OF THIS GENERATION."**

[From the Philadelphia Public Ledger, Ind. Dem.]

Of all the Presidential candidates within the memory of this generation, Taft is unquestionably the best equipped, in training and experience and in wide and close contact with large affairs. In one important respect his equipment is unlike that of any of the Presidents, no one of whom had ever served on the bench. With the exception of those nominated on their military records, and two or three who have been governors of their States, the Presidents have been men whose political training was in the legislative branch. Taft was never in Congress, or even in his State legislature. He is wholly without personal experience in what is called practical politics. He was educated for the bar; early became a judge; the whole trend of his thought and of his ambition has been in the line of the judiciary, and his ingrained judicial temperament it was that made him so conspicuously useful and successful in the many difficult administrative problems he was later called upon to solve.

It was a distinct sacrifice he made when President McKinley took him from a life position that he enjoyed, and that was in line of his dearest hopes, to lay upon him the burden of establishing peace and order in the Philippines. The judgment, tact, and skill with which he carried on that great task; the candid diplomacy with which he smoothed away perplexing obstacles; the unselfish devotion with which he has upheld the interests of those far-away people in the face of indifference at home, were an honor to the nation. The same qualities of a wise adjudicator have been repeatedly at the service of the country. In Cuba, in Panama, in Japan, it has been necessary only to "send for Taft." Misunderstandings are cleared up and difficulties vanish before this gracious personality, this calm, clear, disentangling mind. His intellectual integrity and disinterestedness have been as unmistakable as his quiet strength, his unswerving sense of justice, his absolute honesty. It is not a mind that moves by impulse or in startling flashes; it is a mind well poised and of singular lucidity, that reaches its results by logical principles, which do not antagonize, but convince.

## THE TWO CANDIDATES COMPARED AND CONTRASTED.

**Democratic Analysis of the Record and Qualifications of the Leading Candidates for the Presidency.**

(From the Philadelphia Ledger, Ind. Dem., July 13, 1908.)

The character of the two conventions tells something of the difference in the underlying spirit of the two platforms, but the contrast between the two types of men standing as candidates for President is vastly more significant. It is a contrast so great that all other considerations are obscured by it.

In general training and in administrative experience Mr. Taft is better equipped for the Presidency than any candidate within half a century. All his mature life has been spent in the public service, but never by his own seeking. He has been intrusted successively with many most difficult tasks—as Judge, Commissioner, Governor, Secretary—requiring wide knowledge, clear judgment, discretion, firmness, tact, and every one of them he has fulfilled with a success that commanded admiration and inspired confidence. He has shown himself a man of essentially judicial temperament, not merely learned in the law, but grounded in the broad principles of justice and equity—an eminently systematic mind, that considers, weighs, arranges and adjusts and moves by logical process to clear conclusions. While he has never faltered before a public duty, he has never asserted himself, but has sunk his own ambitions in the public service for which he has been sought. A calm, careful, kindly, quietly forceful man, he makes no fuss, but accomplishes results. If Taft is Roosevelt's candidate, so much the more credit to Roosevelt for choosing a man in so many ways different from himself.

In contrast with Mr. Taft's record of successful achievement, Mr. Bryan has practically no record whatever, except that of a public speaker, a politician and a candidate. His actual public service was confined to two terms in the House of Representatives, where he acquired some familiarity with the politics of the caucus, but manifested no inclination to serious study. He was an unsuccessful candidate for the Senate, and then took to political journalism; was sent as a delegate to the Democratic convention of 1896, made a silver speech that turned the heads of the crowd, was nominated for President—and defeated. This is the sum of Mr. Bryan's experience in public life, apart from his travels as a lyceum lecturer and newspaper writer and his incessant activity in cultivating his political interests. He has never held a post of public responsibility, even in the legislative branch; in administrative duties he is wholly untried, except as concerns the successful organization of his own candidacy. He has made this a profitable profession, and has developed great skill in the art which Governor Pennypacker applauded in Quay—"the management of men in masses." But that is a qualification for a "boss," not for a President.

Taft's peculiar experience has come to him because he was recognized as fitted for it. Bryan has had no such opportunities. This is not only because he has been always in opposition, but because his habit of mind does not suggest his responsible employment. His intellectual character is the reverse of Taft's. He is active, ambitious, assertive. He has the mental alertness of the Western journalist, eager to exploit each new idea, without stopping to go to the bottom of it, and as ready to drop it and turn to something else. He has shown no power of analysis, no grasp of fundamental principles, no capacity for serious study, no sense of logical proportion. In all his treatment of large public questions he is superficial, rhetorical, uncertain and untrustworthy. The only broad grasp that he has displayed is upon the machinery of practical politics, and even here, with his individual mastery, he is dangerously arbitrary and erratic. Twelve years of persistent self-seeking have not brought discipline to a mind that is fundamentally ill-trained.

If we assume, as we may, that the nation will, in the long run, determine its own policies, and expect the President to execute them, which of these two contrasted types is the better fitted for such duty? This is now and will become increasingly the issue of the campaign. It is not really a question of Republican or Democrat. It is a question of Taft or Bryan, with all that each represents.



[From the New York Journal of Commerce, Dem., July 10, 1908.]

Bryan was the predestined candidate, foreordained by his own authority.

To his personality, which was sufficient to carry the nomination, he had to add a "platform" wherewith to carry the election. Being a personal attachment, it should rather be called a net for catching votes. Though many hands were permitted to twist and tangle the strands at Denver, the meshes were devised at Lincoln, Nebraska, and the "platform" as well as the candidate is Bryan-made. Having captured the party he had the right to prescribe the articles of its creed. Instead of being a clear and condensed statement of principles, it is the longest of recorded documents of its kind, with a lure for every form of discontent and a promise for every eager demand. It is meant to catch and to hold all for whom a bait could be provided, except those who think and reason, form convictions for themselves and act upon principles that they understand. It is a tissue of appeals and not a body of principles. It is not an outline for practical legislation or a judicious administration, but a lure for votes and will be worthless when the election is over. It is not intended to last beyond that.

Will the people of the United States be deluded by the monstrous claims and the fruitless promises of William J. Bryan at this late day? His appearance is not meteoric as when he shone forth with his crown of thorns and cross of gold at Chicago twelve years ago. He is a familiar figure and his present exhibition has been worked up with theatrical artifice. It is pyrotechnic and not meteoric, and all the sticks and strings and wheels are visible to the eye. The tumult and the shouting cannot be kept up for months and the people are liable to grow sober and go to thinking. Every constructive and conservative influence will set to work to save the Government from falling into the keeping of a spangled political acrobat and mountebank. His elevation to the head of a nation that has had a line of presidents, worthy at least of respect, for a hundred and twenty years, would be too absurd for a people with a sense of dignity and decorum as well as of humor. He should go to a defeat this time that will make any subsequent pretension grotesque even for him.

[From the New York Evening Post, Dem.]

Every one knows where Mr. Taft will always stand; no one can tell from year to year where the unstable Bryan will land.

This country has and this country needs better paid, better educated, better fed, and better clothed workmen, of a higher type than are to be found in any foreign country. It has and it needs a higher, more vigorous, and more prosperous type of tillers of the soil than is possessed by any other country.—President Roosevelt at Minneapolis, April 4, 1903.

I believe it to be highly beneficial and entirely lawful for laborers to unite in their common interests. They have labor to sell, and if they stand together they are often able, all of them, to command better prices for their labor or more advantageous terms of employment than when dealing singly, for the necessities of the single employee may compel him to accept any terms offered him. The accumulation of funds for the support of those who propose to enter into the controversy with the employer by striking is one of the legitimate objects of such organization. Its members have the right to appoint officers who shall advise them as to the course to be taken by them in their relations to their employer, and if the members choose to repose such authority in any one the officers may order members, on pain of expulsion, to join a strike. Having left their employment they have the right, by persuasion and other peaceable means, to induce those who would take their places to join the strike and their union. They may not do this by violence, by threats of violence, or by any other conduct equivalent to duress. It is only when the object is not betterment of the terms of their employment or some other lawful purpose, but is for an unlawful purpose or where the means they use are unlawful that they can be properly restrained by law.—Hon. Wm. H. Taft, in correspondence with President Llewellyn Lewis, of the Ohio Federation of Labor.



## CAMPAIGN CONTRIBUTIONS AND PUBLICITY, WITH REFERENCE TO RECEIPTS AND EXPENDITURES.

Much has been said during the past few weeks upon the question of campaign contributions and publicity with reference thereto. A careful analysis, however, of the utterances and pledges of the two candidates, the two National committees, and the law makers of the two parties upon this subject shows that the Democratic promises have been in all cases vague and specious and in such terms as to really supply little of the publicity which they purport to supply; while the Republicans have already actually prohibited, through Republican legislation in Congress, corporation contributions to campaign funds and provided for absolute publicity far in excess of that vaguely promised by the Democratic candidate and committee.

### The Bryan-Taft Correspondence on Publicity.

The public campaign for publicity was begun by Mr. Bryan, when on May 27, 1908, he sent to Mr. Taft the following telegram:

"I beg to suggest that, as leading candidates in our respective parties, we join in asking Congress to pass a bill requiring publication of campaign contributions prior to election. If you think best we can ask other candidates to unite with us in the request.

To this Mr. Taft replied on May 26th:

Your telegram received. On April 30th last, I sent the following letter to Senator Burrows, the Chairman of the Committee on Privileges and Elections of the Senate:

"My dear Mr. Burrows: I sincerely believe that it would greatly tend to the absence of corruption in politics if the expenditures for nomination and election of all candidates and all contributions received and expenditures made by political committees could be made public, both in respect to State and National politics. For that reason I am strongly in favor of the passage of the bill which is now pending in the Senate and House, bringing about this result so far as national politics is concerned. I mark this letter personal because I am anxious to avoid assuming an attitude in the campaign which it is quite possible I shall never have the right to assume, but so far as my personal influence is concerned I am anxious to give it for the passage of the bill.

Very sincerely yours, WILLIAM H. TAFT.

Since writing the above, in answer to inquiry, I have said publicly that I hoped such a bill would pass.

### Corporation Contributions.

The next step in the Democratic campaign with reference to election funds was the insertion in their platform adopted at Denver in July, 1908, of the following plank:

We pledge the Democratic party to the enactment of a law prohibiting any corporation from contributing to the campaign fund and any individual from contributing an amount above a reasonable amount and providing for the publication before election of all contributions above a reasonable minimum.

In taking this second step with reference to campaign funds and pledging the Democratic party to the enactment of a law prohibiting any corporation from contributing to the campaign fund, Mr. Bryan and his associates seem quite as late as Mr. Bryan was personally in his proposal to Mr. Taft, since it is a fact that the Republican party in Congress had, *more than a year before the meeting of the Democratic convention*, passed in both houses and enacted into law the very proposition which the Democracy pledged themselves to accomplish, viz.: "prohibiting any corporation from contributing to a campaign fund." The law enacted by a Republican House and a Republican Senate in January, 1907, and signed by a Republican President on January 26, 1907, did the very thing demanded by the Democratic convention of 1908, and did it eighteen months prior to the meeting of that convention. The Act passed in January, 1907, by a Republican House and a Republican Senate and signed by a Republican President January 26, 1907, is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it shall be unlawful for any national bank or any corporation organized by authority of any laws of Congress to make a money contribution in connection with any election to any political office. It shall also be unlawful for any corporation whatever to make a money contribution in connection with any election at which Presidential and Vice-Presidential electors or a Representative in Congress is to be voted for or any election by any State Legislature of a United States Senator. Every corporation which shall make any contribution in violation of the foregoing provisions shall be subject to a fine not exceeding five thousand dollars, and every officer or director of any corporation who shall consent to any contribution by the corporation in violation of the foregoing provisions shall upon conviction be punished by a fine of not exceeding one thousand and not less than two hundred and fifty dollars, or by imprisonment for a term of not more than one year, or both such fine and imprisonment in the discretion of the court.

Thus in the second step in the Democratic campaign with reference to political funds, they find themselves following along lines in which the Republicans had already taken action.

#### **Publicity Before Election.**

Not only had the Republicans, long before this recommendation of the Democratic National convention enacted a law prohibiting corporation contributions to campaign funds, but the Republican party in the House had, by unanimous vote of its members, passed an Act requiring complete publicity of all campaign contributions, this publicity to be made through statements filed with the Clerk of the House of Representatives. **NOT LESS THAN TEN DAYS BEFORE THE ELECTION FOR WHICH THESE FUNDS WERE CONTRIBUTED.** Every vote cast for this bill was cast by a Republican, and every vote cast against it was cast by a Democrat.

While the Democratic vote was ostensibly cast against the bill because of the fact that it required a report from the Census with reference to the number of votes cast in Southern States and a comparison thereof with the number of white and colored citizens of voting age, the fact remains that the Democratic party in Congress, irrespective of sectional lines, preferred to sacrifice complete publicity in campaign contributions and expenditures rather than couple with it publicity regarding the suppression, by their own party leaders, of the elective franchise as guaranteed by the Constitution of the United States.

#### **Democratic Pledge of Publicity Relates to Only a Part of Its Fund.**

Another important contrast between the methods proposed by the Democratic candidates and committee and those proposed by the Republican candidates and committee is in the EXTENT to which publicity is to be carried in reference to the amount of contributions received. The Democratic committee, on the recommendation of Mr. Bryan and Mr. Kern, passed a resolution at its meeting at Fairview, Mr. Bryan's residence, to the effect that "it will accept no individual contribution above \$10,000, and that it will make public before election all individual contributions above \$100." This promise, therefore, is merely that the committee will make public before election a statement of all contributions ABOVE ONE HUNDRED DOLLARS in amount, but it makes no promise that any statement will be made of the total sum received, the sums which it proposes to publish being simply "ALL INDIVIDUAL CONTRIBUTIONS ABOVE ONE HUNDRED DOLLARS." Thus all contributions reaching the committee in checks or sums less than \$100 would not be subject to publication or announcement of any kind. Under this proviso of the Democratic publicity plan, those desiring to avoid publicity in contributions in excess of \$100 could readily do so by dividing the proposed gift into as many separate contributions of \$100 or less as might be required to make the total of the larger sum.

As illustrating the misleading and vague nature of these Democratic promises, it is not improper to call attention to the fact that Mr. Bryan, in the same issue of the Commoner in which he announces with a flourish of trumpets this action as having been taken upon the recommendation of himself and Mr. Kern, makes an appeal to the farmers of the United States



an appeal signed by himself and Mr. Kern as the candidates of the Democratic party, for contributions of \$100 or less, saying: "There are hundreds of thousands of farmers who are abundantly able to contribute to the campaign fund; there are thousands who could give \$100 apiece without feeling it; there are tens of thousands who could give \$50 apiece without feeling it, and still more who could give \$25 or \$10 or \$5." He asks the farmers to make contributions through his own paper, the *Commoner*, to a farmers' fund to be turned over to the Democratic National Committee. The last Census of the United States shows that the total number of farms in the United States (and therefore the total number of farmers) was, in 1900 5,739,657; and presumably there must be at the present time over 6 million farmers. Supposing one-third of these to be Democrats, this would give two million individuals appealed to by Mr. Bryan and Mr. Kern to give sums of \$100 downward. Should one-half of this number respond to the appeal the number of contributions from the farmers alone would thus be 1 million. Supposing that their contributions were the lowest named by Mr. Bryan and Mr. Kern—\$5 each—this would give from the farmers alone a campaign fund of \$5,000,000, NOT ONE PENNY OF WHICH IS PROPOSED TO BE IN ANY WAY REPORTED BY THE DEMOCRATIC NATIONAL COMMITTEE in its vaunted publicity of campaign contributions, and this, of course, would also leave all contributions from all other classes when below \$100 in amount, likewise a matter of absolute secrecy with the Democratic National Committee.

Contrast this incompleteness of campaign publicity with the plan proposed by the bill which (printed in full on another page of this volume) passed the Republican House of Representatives May 12, 1898, being supported by every Republican present and voted against by every Democrat whose vote was recorded. That bill provided that the treasurers of political committees should, not less than 10 days before the election, file with the Clerk of the House of Representatives a statement showing the name and address of each person, firm, association, or committee which had contributed \$100 or more; also, THE TOTAL SUM OF ALL CONTRIBUTIONS IN AMOUNTS LESS THAN ONE HUNDRED DOLLARS, and, third, THE TOTAL SUM OF ALL CONTRIBUTIONS.

The promise of the Democratic National Committee is merely to make public a statement of the amount received in contributions of MORE THAN \$100 EACH. The plan proposed by the Republicans and unanimously supported by them, was to make public before election the total sum of ALL CONTRIBUTIONS, whether contributed in sums below or above the \$100 line.

**Publicity as to Expenditures Proposed by Republicans but not Mentioned by Democrats.**

Still another and even more striking contrast in the publicity plans proposed by the Democrats and those by the Republicans is found in the fact that the Democrats promise publicity merely with reference to *contributions*, and then only as to those exceeding \$100 each, but promise no publicity with reference to the *objects for which any contributions are EXPENDED*; while the Republican plan proposes publicity as to ALL MONEYS received and all moneys EXPENDED. The resolution of the Democratic committee is absolutely silent as to any publicity regarding expenditures. The Act passed by Republican votes in the House of Representatives provides that the treasurers of political committees shall report to the Clerk of the House prior to the election "an itemized statement," showing "the name and address of each person, firm, association or committee to whom such political committee, or any officer, member, or agent thereof has disbursed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount of value of \$10 or more and the purposes thereof, and the TOTAL SUM SO DISBURSED \* \* \* where the amount or value of such disbursement \* \* \* is less than \$10." The law of New York State, under which the Treasurer of the Republican National Committee promises to conduct his work

of receipts and expenditures also requires complete statements of "all receipts, expenditures, disbursements and liabilities of the committee and of every officer, member or other person in its behalf."

To sum up: The publicity demand of the Democrats for exclusion of corporation contributions to campaign funds comes 18 months after a Republican Congress had enacted and a Republican President signed a law prohibiting such contributions; Mr. Bryan's belated proposal for an appeal to Congress in behalf of publicity came weeks after Mr. Taft had made such an appeal to Congress, and the kind of publicity promised by the Democratic National Committee includes only a small proportion of the sums which it will receive, AND NO PUBLICITY AS TO EXPENDITURES; while the Republican promise of publicity includes the total of all sums contributed and COMPLETE PUBLICITY AS TO EXPENDITURES.

#### **The Publicity Pledges of the Democratic Platform and Committee.**

The publicity promise of the Democratic platform of 1908 reads as follows:

"We pledge the Democratic party to the enactment of a law prohibiting any corporation from contributing to a campaign fund and any individual from contributing an amount above a reasonable maximum, and providing for the publication before elections of all such contributions."

The publicity promise of the Democratic National Committee of 1908, adopted at the suggestion of Mr. Bryan (as stated in the "Commoner" of July 24, page 4) is as follows:

*Resolved:* That the Democratic National Committee, in pursuance to the pledge given in the National platform recently adopted at Denver, announces that it will accept no contributions whatever from corporations; that it will accept no individual contributions above \$10,000, and that it will make publication before election of all individual contributions above \$100. Contributions received before October 15th being published on or before that date and contributions received after that date being published on the date upon which they are received, and that no contributions above \$100 shall be accepted within three days of the election."

#### **Some Occasions When Mr. Bryan did not Desire Publicity.**

Mr. Bryan's anxiety for publicity with reference to campaign funds seems to be a matter of comparatively recent development, since charges have been publicly made by the New York World and other leading newspapers that Mr. T. F. Ryan, in the campaign of 1904, contributed a large sum to the Democratic campaign fund, of which \$20,000 was sent to the Democratic State Committee of Nebraska, which was attempting to elect a Democratic legislature for the purpose of sending Mr. Bryan to the Senate; and although Mr. Bryan made the assertion that if it proved true he would personally refund that entire sum, no record has been made of any refund by him or of a disproof of the World's charges; while Mayor Dahlgren, of Omaha, in an interview widely disseminated frankly admits the receipt of a contribution from the committee, which he says was disbursed by him in the vain effort to swing Nebraska in the Democratic column, and adds "the money did good, and while Roosevelt carried the State by something like 83,000 majority, Berge lost it by less than 10,000 votes. If we had had \$15,000 more we would have carried the State for Berge, our candidate for Governor."

Commenting upon Mr. Bryan's recent attitude with reference to contributions to his campaigns, the New York World (Democratic) of June 1, 1908, has the following:

Mr. Bryan says that if Thomas F. Ryan contributed either directly or indirectly to the Nebraska campaign fund in 1904 he will personally repay every cent of the contribution. Why this sudden sensitiveness in regard to Mr. Ryan? Mr. Bryan allowed the silver-mine owners to contribute \$288,000 to his campaign fund in 1896 and there could be no more sordid purpose than that which prompted those contributions. Mr. Bryan allowed William A. Clark, of Montana, to contribute to his campaign fund, and there has been no more notorious corruptionist in American politics. Mr. Bryan gladly accepted political assistance from Richard Croker, and there is no great mystery as to where Mr. Croker got it. A candidate who could be grateful to Clark and Croker need not be overly squeamish about Ryan. Besides, Mr. Ryan's Nebraska money was spent in a most sanctified cause. The Hon. Jim Dahlgren proudly asserts that he disbursed it; that not a cent of it was used to help Parker, and that it was all devoted to the State campaign. Had a fusion Legislature been elected, Mr. Bryan would have been sent to the United States Senate, and Mr. Ryan's tainted contributions would have been doubly sanctified.



The New York World in its special publication issued in February, 1908, entitled "The Map of Bryanism; Twelve Years of Demagoguery and Defeat" says, (pages 12, 13 and 14):

If the obvious self-interest of the silver miners in the 16 to 1 crusade carried on by Democrats and Populists in 1896 had been as well understood as it should have been the names of these men would be as closely associated in the public mind with the Silver Trust as Rockefeller's is with oil or Armour's is with beef. The people have been made well acquainted in recent years with the names of the men interested in beef, in oil, in tobacco, in coal, in copper, in iron and steel and in other commodities the production and sale of which is believed to be governed by trusts. How many of them know or have heard the names of the producers of silver, in whose behalf you, Mr. Bryan, worked as zealously as any trust lawyer ever did for his client? When the Republicans, after many years of evasion, finally refused to take up the cause of the miners, the latter naturally sought the assistance of the Populists and the Democrats, and their reception was more cordial than they had dared to hope for. As you yourself will doubtless agree, the most powerful advocate thus gained was William Jennings Bryan, of Nebraska.

Here is a list of some of the gentlemen who assisted in financing your theory that 50 cents' worth of silver bullion ought to be worth a dollar:

#### Contributions to Mr. Bryan's Campaign Fund.

Marcus A. Daly, Montana, principal owner of the Anaconda Mine. This sum of \$159,000.00 represents Mr. Daly's own contribution and sums collected by him	\$159,000.00
David H. Moffat, First National Bank, Denver, Col.	18,000.00
W. S. Stratton, Colorado, owner of Independence Mine	12,000.00
William A. Clark, of Montana	45,000.00
Dennis Shedy, Colorado National Bank, Denver, Col.	7,500.00
Charles D. Lane, of California	15,000.00
D. M. Hyman, Denver, Col.	7,500.00
Other Colorado mining interests	6,000.00
Utah mining interests	18,372.70
The Treasurer of the fund was J. R. Walker, of Walker Bros., Bankers, Salt Lake City. The chief individual contributors were as follows:	
J. E. Bamberger, President Daly-West Mining Company	250.00
W. W. Chisholme, Mine owner	250.00
John Beck, Mine owner	500.00
T. R. Jones, Ore buyer	250.00
O. J. Salisbury, Mine owner	500.00
Frank Knox, President National Bank of Republic	100.00
J. McGregor, Mine owner	300.00
Centennial Eureka Mine	1,500.00
Daly-West Mining Company	500.00
W. S. McCormick, President Utah National Bank	300.00
First National Bank of Park City	500.00
Salt Lake Valley Loan and Trust Company	500.00
Daly Mining Company	1,000.00
Bullion-Beck Mine	1,000.00
P. Farnsworth, Manager Bullion-Beck Mine	250.00
R. C. Chambers and others, owners Ontario Mine	2,000.00
Swansea Mining Company	200.00
Mammoth Mine	249.00
Mammoth Mine employees	120.00
Mammoth Mining Company	1,000.00
Eureka Hill Mining Company	242.00
Gemini Mining Company	122.00
Godiva Mining Company employees	34.00
Swansea Mining Company	69.00
John Beck, Mine owner	300.00
Bullion-Beck Mine employees	537.00
Geyser Mine employees	116.00
Horn Silver Mine employees	307.00
John Beck	200.00

Total contributions of the silver mine owners to your campaign fund	\$288,000.00
---------------------------------------------------------------------	--------------

These contributions, as you doubtless know, Mr. Bryan, were all recorded in the books of the Democratic National Committee, although in your eloquent appeals for publicity of political contributions you have never referred to the fact that the silver interests financed your Presidential campaign.

*It is better for this country to feed, clothe, and house our own labor in this country than to support foreign labor in other countries with our money.—H. K. Thurber.*

**The New York World on the Ryan Contribution to the Nebraska Campaign Fund of 1904.**

[From the New York World, May 30, 1908.]

After the Democratic National Convention of 1904 had nominated Alton B. Parker for the Presidency, William J. Bryan returned to his home in Nebraska and began a quiet campaign to secure for himself a seat in the United States Senate. The State legislature to be elected in November, 1904, would have the choosing of a senator. It was the hope of Mr. Bryan and belief of his friends that by an aggressive campaign Nebraska could be carried for the Democracy and that a Democratic legislature would elect him to the senate. At the St. Louis convention Mr. Bryan had assailed fiercely Judge Parker as a candidate of plutocratic interests and had attacked by name August Belmont and other New Yorkers who were backing the Parker campaign. After a week of reflection Mr. Bryan announced in a formal statement that he would support the ticket, but with the following threat: "As soon as the election is over I shall, with the help of those who believe as I do, undertake to organize for the campaign of 1908, the object being to marshal the friends of popular government within the Democratic party to a support of a radical and progressive policy to make the Democratic party an efficient instrument for securing relief from the plutocratic element that controls the Republican party and, for the time being, is in control of the Democratic party."

Within two months after this declaration, there was accepted for Mr. Bryan's interests the sum of \$20,000, contributed by the prince of plutocrats, Thomas F. Ryan.

T. S. Allen is the brother-in-law of Wm. J. Bryan. He married a sister of the Nebraska candidate. Mr. Allen was chairman of the Democratic State Central Committee of Nebraska in 1904 and still holds that office. He is the confidant and recognized political agent of Mr. Bryan.

The Democratic National Campaign of 1904 was named chiefly by August Belmont and Thomas F. Ryan. Each gave \$50,000 to start the campaign fund, and after election had to make up a considerable deficiency. William F. Sheehan and DeLancey Nicoll were their principal political advisers. Thomas Taggart held the nominal position of chairman of the Committee, but the four men named were in control. Mr. Bryan knew them, their records, and the interests they had at stake.

Early in the fall of 1904, Mr. Allen, the brother-in-law of Mr. Bryan, came to New York to consult the campaign managers and to solicit funds to promote the Nebraska campaign, which had for its principal object the election of Mr. Bryan to the United States Senate. Mr. Allen had a conference with Mr. Sheehan and Mr. Nicoll. He did not see Mr. Ryan, but the two lawyers reported to the financial backers, Ryan and Belmont, the progress of the negotiations. As a result, Mr. Ryan agreed to contribute personally \$20,000 to help along the Nebraska campaign. In order to disguise the source of this contribution, Mr. Ryan gave his check to Mr. Sheehan, who in turn gave other checks for the amount to Mr. Allen. The New Yorkers believed they were negotiating with the authorized agents of Mr. Bryan. Furthermore, they gained a distinct impression that they were to receive something in return for Mr. Ryan's money. That something, so they understood, was to be Mr. Bryan's open and unqualified support of Judge Parker in the National Campaign, and further, that he would let up in his attacks on the financiers who were backing the campaign. Mr. Allen accepted the \$20,000 given by Mr. Ryan and went back to Nebraska to spend it in attempts to carry the State for Bryan.

It is on record that Mr. Bryan did come out in favor of Judge Parker, indorsing his candidacy, and made speeches urging radical Democrats to vote for the party's nominee. It also is noticeable that in his campaign speeches of the year Mr. Bryan did not continue his assaults upon Mr. Belmont and the other financiers who were conducting the National Campaign. Mr. Ryan thought for a time that he was getting his money's worth. The election, however, dashed all plans. Not only was Judge Parker defeated, but Nebraska did not elect a Democratic



legislature and Mr. Bryan was not chosen to the United States Senate. Nebraska, despite Mr. Ryan's \$20,000, gave a Republican plurality of 86,000 for Roosevelt, and Mr. Burkett was sent to the senate as a Republican. A few days after the election Mr. Bryan published in his paper, "The Commoner," the following:

"The Democratic party has nothing to gain by catering to organized and predatory wealth. It must not only do without such support, but it can strengthen itself by inviting open and emphatic opposition to those elements. The campaign just closed shows that it is inexpedient from the standpoint of policy as it is wrong from the standpoint of principle to attempt any conciliation of the industrial despots who are gradually getting control of all the avenues of wealth."

In an editorial in the issue in which the above statement was printed (May 30, 1908) the World says:

"Having been an ardent advocate of Campaign Fund Publicity, as shown by his telegram to Secretary Taft, Mr. Bryan will presumably thank the World for affording publicity to T. F. Ryan's contribution of \$20,000 in 1904 to help elect Mr. Bryan to the United States Senate from Nebraska. This money was turned over to Mr. Bryan's brother-in-law, who was his confidential political adviser, as well as chairman of the State committee. That it was intelligently expended in promoting Mr. Bryan's hopeless candidacy we have no doubt. However tainted this \$20,000 may have been at its source, it was sanctified in the uses to which it was put, just as the \$288,000 was sanctified which the silver miners contributed in 1896 to help elect Bryan and create an unlimited market for their product. \* \* \* \* Mr. Ryan's \$20,000, which went to aid Bryanism in 1904, adds a new argument to the already overwhelming mass of reasons why campaign publicity should be established by law."

#### **Bryan's Character as Revealed by the Ryan Booodle Scandal.**

[From the New York Press, June 6, 1908.]

William Jennings Bryan's statement about the Ryan contribution to the Nebraska campaign in 1904 is all that might have been expected from a practical politician trying to take the curse off an ugly business. Mr. Bryan could not look the facts in the face and deal with them broadly and boldly. All that he has attempted to do is to shape the course of the incident so as to escape its worst effects on himself and his party.

So he starts out by giving his own version of what the charges are. In order to strengthen his denial of them he selects the most reckless accusations about the gift of the \$15,000 or \$20,000 by Mr. Ryan and includes them in the indictment. From the Democratic newspaper most bitterly opposed to his renomination he takes the charge that the Ryan boodle was given to procure his open and unqualified support of Judge Parker.

It is easy for Mr. Bryan to score a point against this charge by pointing to the record, which shows that he came out for Parker as soon as the nomination was made, supporting him just as strongly on the day before election as he did at any time before the Ryan money was sent to Nebraska.

The rest of Mr. Bryan's formal statement, which refers to the charges that have not been disproved—the meat of the dispute—is a sad mess of evasion and quibble. Thus he quotes Brother-in-Law Allen and Man Friday Dahlman as declaring that the money in question came from the National committee. "Mr. Allen says that he never saw either Mr. Sheehan or Mr. Ryan and I have no reason to doubt his word." This does not conflict with the confession of Mr. Dahlman that he sent Mr. Allen to New York to raise money for the Nebraska campaign and that Mr. Allen came back with \$15,000. The denial does not show that the money could not have come from Ryan in spite of the fact that Allen did not see either Ryan or Sheehan. Mr. Dahlman does not dispute that the money was Ryan's. Mr. Bryan has talked with Mr. Allen about the business, but he does not disclose the name of the particular individual who paid over the cash that the brother-in-law took back with him to Nebraska when he came to Wall street to get it.

Then the Democratic leader proceeds from this kind of quibbling to the assertion that if Mr. Ryan did give the money, which he still refuses to admit, it was without his knowledge or consent. Furthermore, Mr. Bryan declares that in any event he "had but a remote personal interest in the Nebraska campaign that year." If that is so why does he take such an acute personal interest in the Ryan contribution to the aforesaid campaign? And how does the Ryan contribution, if it was made



without his knowledge or consent to a campaign in which he had only a remote personal interest, make him "unwilling to be, in the slightest degree, obligated to any favor-seeking corporation?" If he knew nothing about the Ryan gift to the Nebraska fund and had no personal interest in the outcome of that contest, he is no more obligated to a corporation by this particular Ryan gift than he would be by Ryan boodle sent to the New York State Committee of his own party or even by a Ryan gift to the Republican State Committee of Pennsylvania or Virginia. Why Mr. Bryan should go down in his own pocket to reimburse Mr. Ryan in the circumstances described by the Nebraskan is a question that may well puzzle anybody.

Yet the Democratic candidate for the Presidency does not absolutely bind himself to return to Mr. Ryan the contribution of which he had no knowledge made to a campaign in which he had only a "remote personal interest." Last week he pledged himself to make restitution if Mr. Ryan contributed the money. Now he qualifies this promise by demanding that, as a condition of the reimbursement, a particular New York newspaper which he names shall prove that Mr. Ryan gave the money "with the understanding that it would be used in the Nebraska campaign." Inasmuch as Mr. Bryan inferentially reserves the right to be the sole judge of whether the proof is sufficient he has a large loophole through which he can welch on his promise to make restitution to the New York Fortunatus.

This incident is of no great consequence in itself in a contest which already has been marked by the lavish secret use of funds, and it is almost academic in relation to the dead past of the 1904 campaign. But it is of immense importance in so far as it reveals the character and attitude of the man who will be one of the nominees for the Presidency of the United States.

#### **The Publicity Bill Passed by Republican Votes in the House and Opposed by all Democrats.**

A bill (H. R. 20112) providing for publicity of contributions made for the purpose of influencing elections at which Representatives in Congress are elected, prohibiting fraud in registrations and elections, and providing data for the apportionment of Representatives among the States.

*Be it enacted, etc.,* That the term "political committee" under the provisions of this act shall include the national committees of all political parties and the national Congressional campaign committees of all political parties and all committees, associations, or organizations which shall in two or more States influence the result or attempt to influence the result of an election at which Representatives in Congress are to be elected.

SEC. 2. That every political committee as defined in this act shall have a chairman and a treasurer. It shall be the duty of the treasurer to keep a detailed and exact account of all money or its equivalent received by or promised to such committee or any member thereof, or by or to any person acting under its authority in its behalf, and the name of every person, firm, association, or committee from whom received, and of all expenditures, disbursements, and promises of payment or disbursement made by the committee or any member thereof, or by any person acting under its authority or in its behalf, and to whom paid, distributed, or disbursed. No officer or member of such committee, or other person acting under its authority or in its behalf, shall receive any money or its equivalent, or expend or promise to expend any money on behalf of such committee until after a chairman and treasurer of such committee shall have been chosen.

SEC. 3. That every payment or disbursement made by a political committee exceeding \$10 in amount be evidenced by a receipted bill stating the particulars of expense, and every such record, voucher, receipt, or account shall be preserved for fifteen months after the election to which it relates.

SEC. 4. That whoever, acting under the authority or in behalf of such political committee, whether as a member thereof or otherwise, receives any contribution, payment, loan, gift, advance, deposit, or promise of money or its equivalent, shall, on demand, and in any event within five days after the receipt of such contribution, payment, loan, gift, advance, deposit, or promise, render to the treasurer of such political committee a detailed account of the same, together with the name and address from whom received, and said treasurer shall forthwith enter the same in a ledger or record to be kept by him for that purpose.

SEC. 5. That the treasurer of such political committee shall, not more than fifteen days and not less than ten days before an election at which Representatives in Congress are to be elected in two or more States, file in the office of the Clerk of the House of Representatives at Washington, D. C. with said Clerk, an itemized detailed statement, sworn to by said treasurer and conforming to the requirements of the following section of



this act. It shall also be the duty of said treasurer to file a similar and final statement with said Clerk within thirty days after such election, such final statement also to be sworn to by said treasurer, and to conform to the requirements of the following section of this act. The statements so filed with the Clerk of the House shall be preserved by him for fifteen months, and shall be a part of the public records of his office, and shall be open to public inspection.

SEC. 6. That the statements required by the preceding section of this act shall state:

First. The name and address of each person, firm, association, or committee who or which has contributed, promised, loaned, or advanced to such political committee, or any officer, member, or agent thereof, either in one or more items, money or its equivalent of the aggregate amount or value of \$100 or more.

Second. The total sum contributed, promised, loaned, or advanced to such political committee, or to any officer, member, or agent thereof, in amounts less than \$100;

Third. The total sum of all contributions, promises, loans, and advances received by such political committee or any officer, member, or agent thereof;

Fourth. The name and address of each person, firm, association, or committee to whom such political committee, or any officer, member, or agent thereof, has disbursed, distributed, contributed, loaned, advanced, or promised any sum of money or its equivalent of the amount or value of \$10 or more, and the purpose thereof;

Fifth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee, or any officer, member, or agent thereof, where the amount or value of such disbursement, distribution, loan, advance, or promise to any one person, firm, association, loan, advance, or promise to any one person, firm, association, or committee in one or more items is less than \$10;

Sixth. The total sum disbursed, distributed, contributed, loaned, advanced, or promised by such political committee or any officer, member, or agent thereof.

SEC. 7. That every person, firm, association, or committee, except political committees as hereinbefore defined, that shall expend or promise any sum of money or other thing of value amounting to \$50 or more for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, unless he or it shall contribute the same to a political committee as hereinbefore defined, shall file the statements of the same under oath as required by section 6 of this act in the office of the Clerk of the House of Representatives, at Washington, D. C., which statements shall be held by said clerk in all respects as required by section 5 of this act.

SEC. 8. That any person may in connection with such election incur and pay from his own private funds for the purpose of influencing or controlling, in two or more States, the result of an election at which Representatives to the Congress of the United States are elected, all personal expenses for his traveling and for purposes incidental to traveling, for stationery and postage, and for telegraph and telephone service, without being subject to the provisions of this act.

SEC. 9. That the foregoing provisions of this act shall not apply to the proprietors and publishers of publications issued at regular intervals in respect to the ordinary conduct of their business, and nothing contained in this act shall limit or affect the right of any person to spend money for proper legal expenses in maintaining or contesting the results of any election.

SEC. 10. That every person willfully violating any of the foregoing provisions of this act shall, upon conviction, be fined not more than \$1,000 or imprisoned not more than one year, or both.

SEC. 11. That if, at any election for Representative or Delegate in Congress, or at any primary election for the nomination of a candidate for Representative or Delegate in Congress held in pursuance of State or Territorial law, any person knowingly personates and votes, or attempts to vote, in the name of any other person, whether living, dead, or fictitious; or votes more than once at the same election, or primary election, for any candidate for the same office; or votes at a place where he may not be lawfully entitled to vote; or votes without having a lawful right to vote; or does any unlawful act to secure an opportunity to vote for himself, or any other person; or by force, threat, intimidation, bribery, reward, or offer thereof, unlawfully prevents any qualified voter of any State or of any Territory from freely exercising the right of suffrage, or by any such means induces any voter to refuse to exercise such right, or compels or induces by any such means any officer of an election or primary election in any such State or Territory to receive a vote from a person not legally qualified or entitled to vote, or interferes in any manner with any officer of such election or primary election in the discharge of his duties, or by any such means or other unlawful means induces any officer of an election or primary election, or officer whose duty it is to ascertain, announce, or declare the result of such election or primary election, or give or make any certificate, document, or evidence in relation thereto, to violate or refuse to comply with his duty or any law regulating the same, or knowingly receives the vote of any person not entitled to vote, or refuses to receive the vote of any person entitled to vote, or aids, counsels, procures, or advises any such voter, person, or officer to do any act hereby made a crime or omit to do any duty the omission of which is hereby made a crime, or attempts to do so, he shall be punished by a fine of not more than \$500 or by imprisonment not more than three years, or by both, and shall pay the costs of the prosecution.

SEC. 12. That if at any registration of voters for an election for Representative or Delegate in Congress, or for any primary election for the nomination of a candidate for Representative or Delegate in Congress held in pursuance of State or Territorial law, any person knowingly personates and registers, or attempts to register in the name of any other person, whether living, dead, or fictitious, or fraudulently registers or fraudulently attempts to register, not having a lawful right so to do, or does any unlaw-



ful act to secure registration for him or any other person, or by force, threat, menace, intimidation, bribery, reward, or offer, or promise thereof, or other unlawful means, prevents or hinders any person having a lawful right to register from duly exercising such right, or compels or induces by any of such means, or other unlawful means, any officer of registration to admit to registration any person not legally entitled thereto, or interferes in any manner with any officer of registration in the discharge of his duties, or by any such means, or other unlawful means, induces any officer of registration to violate or refuse to comply with his duty or any law regulating the same, or if any such officer knowingly and willfully registers as a voter any person not entitled to be registered, or refuses to so register any person entitled to be registered, or if any such officer or other person who has any duty to perform in relation to such registration or election or primary election, in ascertaining, announcing or declaring the result thereof, or in giving or making any certificate, document, or evidence in relation thereto, knowingly neglects or refuses to perform any duty required by law, or violates any duty imposed by law, or does any act unauthorized by law relating to or affecting such registration or election or primary election, or the result thereof, of any certificate, document, or evidence in relation thereto, or if any person aids, counsels, procures, or advises any such voter, person, or officer to do any act whereby made a crime, or to omit any act the omission of which is hereby made a crime, every such person shall be punished by a fine of not more than \$500 or by imprisonment not more than three years, or by both, and shall pay the costs of the prosecution.

Every registration made under the laws of any State or Territory for any State or other election, or primary election at which such Representative or Delegate in Congress may be nominated or elected, shall be deemed to be a registration within the meaning of this section, notwithstanding such registration is also made for the purposes of any State, Territorial, or municipal election, or primary election.

SEC. 13. That every officer of an election at which any Representative or Delegate in Congress is voted for, or any primary election for the nomination of a candidate for Representative or Delegate in Congress, whether such officer of election be appointed or created by or under any law or authority of the United States, or by or under any State, Territorial, district, or municipal law or authority, who neglects or refuses to perform any duty in regard to such election or primary election required of him by any law of the United States, or of any State or Territory thereof, or who violates any duty so imposed, or who knowingly does any acts thereby unauthorized with intent to affect any such election or primary election or the result thereof, or who fraudulently makes any false certificate of the result of such election or primary election in regard to such Representative or Delegate, or who withholds, conceals, or destroys any certificate of record so required by law respecting the election of any such Representative or Delegate or primary election for the nomination of a candidate for such Representative or Delegate, or who neglects or refuses to make and return such certificate as required by law, or who aids, counsels, procures, or advises any voter, person, or officer to do any act by sections 11 or 12 thereof made a crime, or to omit to do any duty the omission of which is by this or any of such sections made a crime, or attempts to do so, shall be punished by a fine of not more than \$500 or by imprisonment not more than three years, or by both, and shall pay the costs of the prosecution.

SEC. 14. That for the purpose of enabling Congress to apportion Representatives among the several States in accordance with the plan provided in the second section of the fourteenth amendment to the Constitution, the Director of the Census, as soon as practicable after each decennial census of population, shall submit to Congress a report of the population by States as shown by such census, which report shall also show the number of male citizens, white and colored, respectively, in each State, 21 years of age and over, the number of such male citizens in each State found to be illiterate, the number of votes cast by male citizens in each Congressional district at the last preceding general election, the number of such male citizens in each State that had not complied with the registration and election laws therein requiring the payment of a poll or property tax as a condition precedent to the right to register or vote, and the number of such male citizen in each State to whom the right to vote at any election for the choice of electors for President and Vice-President of the United States, Representatives in Congress, the executive and judicial offices of the State or members of the legislature thereof, has been denied or in any way abridged except for participation in crime.

SEC. 15. That all prosecutions under this act shall be commenced within one year after the commission of the offense, and shall be brought in the United States circuit court within the district in which such offense occurred.

The bill passed the house by a vote of 161 to 126, the Republicans voting solidly in the affirmative, including the Speaker, the Democrats in the negative.

In the Senate the bill was referred to the Committee on Privileges and Elections and was not reported because of the threat of Democratic Senators that they would filibuster and kill it by talking it to death.

New York World of May 28, 1908, says of the Democratic vote in the House of Representatives against the bill providing for the publicity of campaign contributions:

"They proved by their votes that they are much less agitated about full publicity of campaign contributions than about full publicity of negro disfranchisement."

## WILLIAM JENNINGS BRYAN.

### Mr. Bryan on Government Ownership of Railroads.

[At Madison Square Garden, New York, Aug. 30, 1906.]

The railroad question is also interwoven with the trust question. Nearly all the private monopolies have received rebates or have secured other advantages over competitors. Absolute equality of treatment at the hands of the railroads would go far toward crippling the trusts, and I rejoice that the President has had the courage to press this question upon Congress. While the law, as it was finally distorted by the Senate, is not all that could be wished, it deserves a fair trial.

Rate regulation was absolutely necessary, and it furnishes some relief from the unbearable conditions which previously existed; but we must not forget that the vesting of this enormous power in the hands of a commission appointed by the President introduces a new danger. If an appointive board has the power to fix rates and can by the exercise of that power increase or decrease by hundreds of millions of dollars the annual revenues of the railroads, will not the railroads feel that they have a large pecuniary interest in the election of a President friendly to the railroads? Experience has demonstrated that municipal corruption is largely traceable to the fact that franchise corporations desire to control the city council and thus increase their dividends. If railroad managers adopt the same policy the sentiment in favor of the ownership of the railroads by the Government is likely to increase as rapidly throughout the country as the sentiment in favor of municipal ownership has increased in the cities.

I have already reached the conclusion that railroads partake so much of the nature of a monopoly that they must ultimately become public property and be managed by public officials in the interest of the whole community, in accordance with the well defined theory that public ownership is necessary where competition is impossible.

I do not know whether a majority of the members of the party to which I have the honor to belong believe in the government ownership of railroads, but my theory is that no man can call a mass convention to decide what he himself shall think. I have reached the conclusion that there will be no permanent relief on the railroad question from discrimination between individuals and between places, and from extortionate rates, until the railroads are the property of the Government and operated by the Government in the interests of the people.

And I believe—I believe that there is a growing belief in all parties that this solution, be it far or near, is the ultimate solution. But, my friends, to me the dangerous centralization is a danger that cannot be brushed aside. The greatest danger of a republic is the consolidation of all power at the capital remote from the people, and because I believe that the ownership of all the railroads by the Federal Government would so centralize power as to virtually obliterate State lines, instead of favoring the Federal ownership of all railroads, I favor the Federal ownership of trunk lines only, and the State ownership of all the rest of the railroads.

Some have said that it would be impracticable to allow the local lines to be owned by the several States. I did not believe the argument weighty before I went abroad, and my observations in other lands have convinced me that State ownership of local lines is entirely feasible. In Germany, almost all the railroads are owned not by the Empire, but by the several States—not even the trunk lines are owned by the Federal Government, and yet they have no difficulty about interstate traffic.



I have simply mentioned this because you cannot well discuss the trust question without discussing the railroad question, and while I regard the railroad question as it now presents itself, as a part of the trust question, and not a paramount issue, I could not in frankness withhold my views on this subject and therefore, I have said what I said.

[At Louisville, Ky., September 12, 1906.]

In my speech at the New York reception I made some remarks concerning the government ownership of railways, and thought I had expressed myself so clearly that my position could not be misconstrued, even by those who desired to misconstrue it. The New York speech was prepared in advance. It was not only written, but it was carefully revised. It stated exactly what it wanted to state, and I have nothing to withdraw or modify in the statements therein made. What I say to-night is rather in the nature of an elaboration of the ideas therein presented.

After quoting from the Democratic platform of 1900 that "a private monopoly is indefensible and intolerable," and after laying it down as a principle that public ownership should begin where competition ends and that the people should have the benefit of any monopoly that might be found necessary, I stated that I had reached the conclusion "that railroads partake so much of the nature of a monopoly that they must ultimately become public property and be managed by public officials in the interest of the whole community."

I do not know that the country is ready for this legislation. I do not know that the majority of my own party favors it, but I believe an increased number of the members of all parties see in public ownership a sure remedy for discrimination between persons and places and for the extortionate rates for the carrying of freight and passengers.

I then proceeded to outline a system of public ownership whereby the advantages of public ownership might be secured to the people without the dangers of centralization. This system contemplates Federal ownership of the trunk lines only, and the ownership of local lines by the several States.

I further expressed it as my opinion that the railroads themselves were responsible for the growth of the sentiment in favor of public ownership and said that, while I believed the rate bill recently enacted should be given a fair trial, we might expect to see the railroads still more active in politics unless our experience with them differed from the experience we had had with franchise-holding corporations.

This statement of my views has been assailed by some as an attempt to force these views upon the Democratic party and by some as an announcement of an intention to insist upon the incorporation of these views in the next Democratic national platform.

Let me answer these two charges. I have tried to make it clear that I expressed my own opinion and I have never sought to compel the acceptance of my opinion by anyone else. Reserving the right to do my thinking, I respect the right of every one else to do his thinking.

If you ask me whether the question of government ownership will be an issue in the campaign of 1908, I answer I do not know. If you ask me whether it ought to be in the platform, I reply, I cannot tell until I know what the Democratic voters think upon the subject. If the Democrats believe the next platform should contain a plank in favor of government ownership, then that plank ought to be included. If the Democrats think it ought not to contain such a plank, then such a plank ought not to be included.

It rests with the party to make the platform and individuals can only advise. I have spoken for myself and for myself only, and I did not know how the suggestion would be received. I am now prepared to confess to you that it has been received more favorably than I expected.

There is this, however, I do expect, namely, that these Democrats who oppose public ownership will accompany their



declaration against it with the assertion that they will favor government ownership whenever they are convinced the country must choose between government ownership of the roads and railroad ownership of the government.

[At East Radford, Va., September 15, 1906.]

Two years ago I had reached the conclusion that the government ownership of railroads was the only solution of the question. I did not say it when I was the leader of the party in either campaign; in fact, I had not reached the conclusion until a few years ago. When I was relieved of leadership at St. Louis, and could speak as a private individual, I stated my conclusions. My convictions have grown since, and in New York I stated it as my opinion that that was the ultimate solution. I said I did not know whether the country was ready for it, or whether a majority of the Democrats favored it.

Now, I want to say that my position has been misstated, and in some places misconstrued. I have been accused of favoring a thing that would lead to centralization. Let me remind you that this plan not only does not lead to centralization, but it is the first suggestion made in many years that looks toward the strengthening of the State and making a bulwark against centralization. People have been discussing public ownership with the idea that the Federal Government would own the railroads, and it seemed to me that that was fraught with danger, because I believe in the Democratic doctrine of local self-government, and that our opinion is strongest when the independence of the State and the conduct of its own affairs is recognized and respected.

I believe in our constitutional doctrine that local things are for the States, and national affairs for the Federal Government, and therefore, instead of advocating a Federal ownership that would centralize all this power at Washington, I advocate a dual plan, whereby only the trunk lines would be under the control of the Federal Government and all the local lines under the control of the State government.

If anybody denies that it is practicable, I cannot but tell them that in the Empire of Germany almost all the railroads are owned by the separate states, and that today the Empire wants to get the railroads in order to strengthen the Federal Government, but the States refuse to surrender them, because they are the influential strength of the states of the Empire of Germany. So, my friends, instead of being for centralization, this is the plan that gives to the State the power to strengthen itself and to attend to its own affairs.

I am not here to bring you to my conclusions on the railroad question. So far as I am concerned, it does not matter to me whether or not every man in the United States agrees with me or not. I believe that every man ought to have his own beliefs and his own convictions, and when he has convictions on the subject of public matters, I believe that he ought to give them to the people and take the responsibility for them.

[In letter to Henry M. Whitney, of Boston, March 25, 1907.]

I am in favor of both National and State regulations, but I also believe that public ownership is the ultimate solution of the railroad question. In my discussions on this subject I have pointed out that because of the danger of centralization in ownership by the Federal Government of all the lines I prefer a system in which the Federal Government will be confined to the necessary trunk lines and the ownership of the rest of the lines be left to the States. This, however, is not an immediate question; at least, I am not sure that the people are ready to consider the question of public ownership, and until they are ready to consider that question the interest is centered in regulation.

[In letter to Wall Street Journal, April 6, 1907, published April 10, 1907.]

For some fourteen years after my entrance into National politics I hoped for effective railroad legislation and was



brought reluctantly to the belief that government ownership furnished the only satisfactory remedy for the discrimination, rebates, and extortions practiced by the railroads and for the corruption which they have brought into politics.

My first public expression on this subject was after the National convention in 1904. Two reasons led me to discuss the subject at that time. First, the triumph of the reactionary element at St. Louis discouraged the more radical members of our party. Feeling sure, from contact with the rank and file of our organization, that the ascendancy of the so-called conservative leaders would be temporary, I appealed to the radical Democrats to remain with the party, secure control of the organization, and make the party an effective instrument in securing needed reforms.

To encourage these progressive Democrats to remain with the party I announced the conclusion which I had reached in regard to the final necessity for government ownership. \* \* \* At this time a majority of the people still seem to have faith in the regulation, and the first thing necessary is to ascertain the present value of the railroads and then prevent any more watering of stock. I shall assist as far as I am able to test regulation under as favorable conditions as can be created, but having reached the conclusion that, in the end, regulation will be found ineffective, I have stated my conclusions.

As I was slow in reaching this conclusion myself I can be patient with those who honestly fear government ownership. In the meantime, I am anxious that those who become convinced of the necessity of government ownership shall consider the plan which reduces centralization to a minimum and adds to the influence and vigor of the state.

#### Bryan on Government Ownership of Railroads.

[New York World, February, 1908; printed in daily Congressional Record, May 29, 1908.]

Most people believe, Mr. Bryan, that your first proclamation of government ownership of railways was made at New York City August 30, 1906, on your return from Europe. Such is not the case. The plan of reorganization to "rid the Democratic party of plutocracy," which you promised on the adjournment of the Kansas City convention in 1904, was given to a waiting world on July 21, 1904. You stated the case of government ownership of railroads as follows:

"I have heretofore refused to take a position on the question of government ownership of railroads, first, because I had not until recently studied the subject; and, secondly, because the question had not been reached. Recent events have convinced me that the time is now ripe for the presentation of this question. Consolidation after consolidation has taken place until a few men now control the railroad traffic of the country and defy both the legislative and executive power of the nation. I invite the Democrats, therefore, to consider a plan for the government ownership and operation of the railroads. The plan usually suggested is for the purchase of those roads by the Federal Government. This plan, it seems to me, is more objectionable than a plan which involves the ownership and operation of these roads by the several States. To put the railroads in the hands of the Federal Government would mean an enormous centralization of power. It would give to the Federal Government a largely increased influence over the citizen and the citizen's affairs, and such centralization is not at all necessary. The several States can own and operate the railroads within their borders just as effectively as it can be done by the Federal Government, and if it is done by the States the objection based upon the fear of centralization is entirely answered. A board composed of representatives from the various States could deal with interstate traffic just as freight and passenger boards now deal with the joint traffic of the various lines. If the Federal Government had the railroads to build there would be constant rivalry between different sections to secure a fair share of the new building and improvement, but where this is left to the State the people in each State can decide what railroads they desire to build or to buy."

Later, in April, 1905, at a dinner given by the Iroquois Club, of Chicago, on the birthday of Thomas Jefferson, the greatest of American individualists, you repeated and elaborated this highly ornamental scheme of triple-State socialism.

August 29, 1906, you returned to New York in triumph from a trip around the world, to be greeted by Democrats from nearly every State in the Union as their candidate for President.

You undertook in your speech at Madison Square Garden, August 30, to sound the keynote of a government ownership campaign:

"I have already reached the conclusion that railroads partake so much of the nature of a monopoly that they must ultimately become public property and be managed by public officials in the interest of the whole community, in accordance with the well-defined theory that public ownership is necessary where competition is impossible. I do not know whether a majority of the members of the party to which I have the honor to belong believe in the Government ownership of railroads, but my theory is that no man can tell



a mass convention to decide what he himself shall think. I have reached the conclusion that there will be no permanent relief on the railroad question from discrimination between individuals and between places and from extortionate rates until the railroads are the property of the Government and operated by the Government in the interest of the people. And I believe that there is a growing belief in all parties that this solution, be it far or near, is the ultimate solution. But to me, my friends, the danger of centralization is a danger than can not be brushed aside. The greatest danger of a republic is the centralization of power at the capital remote from the people, and because I believe that the ownership of all the railroads by the Federal Government would so centralize power as virtually to obliterate State lines, instead of favoring the Federal ownership of all railroads, I favor the federal ownership of trunk lines only and the state ownership of all the rest of the railroads."

Impressed by vehement protests against the marriage of Democracy to State socialism, you began at Louisville, September 12, 1906, your masterful retreat:

"I advocate strict regulation and shall rejoice if experience proves that that regulation can be made effective. \* \* \* Yet I would not be honest with you if I did not frankly admit that observation has convinced me that government ownership can be undertaken on the plan indicated with less danger to the country than is involved in private ownership as we have had it or as we are likely to have it. \* \* \* You say that all these abuses can be corrected without interference with private ownership. I shall be glad if experience proves that they can be, but I no longer hope for it."

The retreat ended at Lincoln, July 19, 1907, when you asked for an armistice in these words:

"Government ownership is not an immediate issue. While many Democrats believe—and Mr. Bryan is one of the number—"that public ownership offers the ultimate solution of the problem, still those who believe that the public will finally in self-defense be driven to ownership recognize that regulation must be tried under the most favorable circumstances before the masses will be ready to try a more radical remedy."

Do you think that the Democratic party can convince voters that it honestly favors regulation of railroads if it nominates a candidate who believes in government ownership and who has proclaimed in advance his belief that regulation will prove a failure? Do you think that the American people could safely trust you to carry out a policy of regulation with which you have no sympathy and for whose effectiveness to remedy abuses you have no hope?

#### The United States Courts and the Trusts—Let Us See, Mr. Bryan.

[Printed in New York World, February, 1908; printed in daily Congressional Record, May 29, 1908.]

Let us see, Mr. Bryan, whether your campaign against the Federal courts had a more rational inspiration than your campaign for a 50-cent dollar.

You gave your followers to understand that the United States courts were prejudiced in behalf of the rich and powerful—were, in fact, controlled by trusts and corporations—and were deaf to the welfare of the people as a whole. Not only have you appealed to mob passion against Federal courts of justice and threatened to pack the Supreme Court, but you have persistently advocated short terms and popular elections for United States judges in order to make them creatures of popular clamor. We have, therefore, thought proper to indicate here as briefly as possible important cases arising since 1896 in which proceedings have been begun or judgment has been entered against the very interests which you charged were privileged.

The list is instructive in many ways, but in none is it more so than in its complete refutation of the slanders of socialistic demagogism.

In 1898 the Supreme Court of the United States reversed the circuit court, southern district of New York, and the circuit court of appeals, and enjoined the Joint Traffic Association from violating the antitrust law. By the action of the court it was dissolved.

In 1899 the Supreme Court sustained the circuit court of appeals, sixth circuit, in the matter of an injunction restraining the operations of the cast-iron pipe trust, known as the Addystone Pipe case.

In 1900 the Supreme Court sustained the constitutionality of the antitrust law of Texas, one of the most drastic yet adopted.

In 1904 the Supreme Court, having the cases against the beef trust before it, decided: (1) Traffic in live stock transported from State to State is interstate commerce, and persons engaged in buying and selling such live stock are engaged in interstate commerce; (2) the combination between dealers to suppress all competition in the purchase of live stock is an unlawful restraint of trade; (3) the combination between dealers to fix and maintain a uniform price in the sale of meat throughout the country is an unlawful restraint of trade; (4) the combination of dealers to obtain preferential railroad rates is an unlawful restraint of trade, and (5) all combinations suppressing competition fall under the prohibition of the Sherman antitrust act.

In 1904 the Supreme Court affirmed the decree of the circuit court, Minnesota, enjoining the Northern Securities Company from purchasing, acquiring, receiving, holding, voting, or in any manner acting as the owner of any of the shares of stock of the Northern Pacific and Great Northern Railway Companies, and restraining the Northern Securities Company from exercising any control over the corporate acts of said companies.

In 1905 the Supreme Court affirmed a decree of the circuit court, northern Illinois, enjoining various great packers in Chicago, commonly known as the "beef trust," from carrying out an unlawful conspiracy between themselves and railway companies to suppress competition.

In 1906 the Supreme Court affirmed various judgments of United



States courts in Wisconsin and Minnesota against the General Paper Company, which had been proceeded against as a trust. The combination was, by the decision of the Supreme Court, finally dissolved.

In 1906 the Supreme Court decided the celebrated Chicago street railway franchise case in favor of the city and against the traction trust.

In 1899 a bill was filed in the circuit court, southern Ohio, to annul a contract and dissolve a combination of producers and shippers of coal in Ohio and West Virginia, formed for the purpose of selling coal at not less than a given price, to be fixed by a committee. The trust was enjoined, and the combination was dissolved.

In 1902 the circuit court, northern California, perpetually enjoined the Federal Salt Company (the salt trust) from suppressing competition west of the Rocky Mountains.

In 1903 the salt trust was indicted in the same court, pleaded guilty, and was sentenced to pay a fine of \$1,000.

In 1905 the Chicago, Burlington and Quincy Railroad Company was convicted in Missouri, under the Elkins Act, of charging less than established freight rates, and was fined \$15,000. Similar prosecutions in Kentucky resulted also in convictions and fines.

In 1905, in Missouri, Thomas & Taggart were convicted of conspiracy to obtain rebates. Thomas was sentenced to jail for six months and fined \$6,000, and Taggart was sentenced to jail for three months and fined \$4,000.

In 1905 Weil and others were convicted in Illinois of receiving rebates and were fined \$25,000 each.

In 1905 the Chicago, Burlington and Quincy Railroad Company and various of its officers were convicted in Illinois of granting rebates. The corporation was fined \$40,000 and the officers \$10,000 each.

In 1906 proceedings were begun in the southern district of New York against the tobacco trust. These resulted in several convictions, fines of \$10,000 and \$8,000 being inflicted upon two of the defendants.

In 1906 Swift & Co., Armour & Co., Nelson Morris Company, and the Cudahy Company, of Chicago, were convicted in Missouri of receiving rebates and were fined \$15,000 each.

In 1906 the American Sugar Refining Company and others were convicted in New York of receiving rebates, and fines aggregating \$88,000 were inflicted.

In 1906 the New York Central and Hudson River Railway Company and others were convicted in New York of granting rebates, and fines aggregating \$114,000 were assessed.

In 1906 the Ann Arbor Railroad Company was convicted in Michigan of granting rebates and was fined \$15,000.

In 1907 John M. Faithorn, of the Chicago and Alton Railway Company, was convicted in Illinois of granting rebates and was fined \$25,000.

In 1907 the Standard Oil Company, of Indiana, was convicted in Illinois on 1,462 counts of receiving rebates and was sentenced to pay a fine of \$29,240,000.

### Bryan the Candidate of the Silver Trust.

[New York World, February, 1908; printed in daily Congressional Record, May 29, 1908.]

Your leadership of the Democratic party, Mr. Bryan, began with the national convention held in Chicago in 1896. It was an unfortunate year for a national campaign.

The American people were paying the penalty of thirty years' of trifling with their currency and their monetary standard of value. Industry was half paralyzed, commerce semiprostrate. Crops had been poor, the price of farm products was low; the farms themselves were generally mortgaged. The National Government itself, with a demoralized Treasury, was borrowing money to pay its current expenses under the form of maintaining the gold reserve. Bond sales to favored syndicates had aroused the indignation of the people, without regard to party. Probably a million men in the cities were out of work. Soup houses had been opened during the two preceding winters, and in every large center of population police stations had been filled nightly by homeless wanderers.

Armies of tramps moved sullenly along the highways. A Democratic Administration was in power which seemingly had no friends except its own appointees and beneficiaries. Discontent was almost universal. It was the hour of the agitator, and the Democratic national convention was his opportunity.

When a temporary organization of the convention was effected the elements of repudiation and political revolution found that while they had a majority of the delegates, they did not have the two-thirds majority necessary, in accordance with Democratic precedent, to nominate a candidate for President. This embarrassment was short lived.

The silver forces, by prearranged plan, had sent contesting delegations from many States, including Nebraska. Only a majority vote was necessary to adopt the report of a committee. The committee on credentials therefore unseated enough conservative delegates to insure a radical two-thirds majority for nominating purposes, and the issue was no longer in doubt.

You, Mr. Bryan, were at the head of the contesting delegates from Nebraska when they marched into the convention hall to take the seats of the sound-money delegates that had been evicted.

The money plank in the platform, which the convention adopted by a vote of 626 to 303, was as follows: \* \* \*

"We demand the free and unlimited coinage of both silver and gold at the present legal ratio of 16 to 1 without waiting for the aid or consent of any other nation. We demand that the standard silver dollar shall be a full legal tender, equally with gold, for debts, public and private, and we favor such legislation as will prevent for the future the demonetization of any kind of legal-tender money by private contract. \* \* \*

The great silver mine owners of the world were in despair over the depreciation in price of their metal. Its use for money of redemption



had been discontinued by the leading commercial nations. The India mints had been closed to its coinage. Congress had been forced to repeal the Sherman silver act, which had made the National Government a heavy purchaser of silver in the market?

The business of the mining operators was in a bad way and ruin stared many of them in the face unless the Government of the United States created an unlimited market for their product by throwing open its mints to the free and unlimited coinage of silver.

Never was a political propaganda more vehemently and desperately advocated, and never were the selfish interests behind it more adroitly concealed. If the obvious self-interest of the silver miners in the 16 to 1 crusade carried on by Democrats and Populists in 1896 had been as well understood as it should have been the names of these men would be as closely associated in the public mind with the silver trust as Rockefeller's is with oil or Armour's is with beef.

The proposition which you advanced, Mr. Bryan, contemplated opening the mints of the United States to the free coinage on private account at the rate of less than 50-cents' worth of bullion to the dollar of whatever portion of this enormous stock of silver its owners or speculators might be moved to present. You asserted that free coinage and the fiat of Government would instantly raise every 50-cent token thus minted to parity with gold.

If so, the wealth of all owners and producers of silver would have been doubled.

Here is a list of some of the gentlemen who assisted in financing your theory that 50-cents' worth of silver bullion ought to be worth a dollar:

#### Contributions to Mr. Bryan's Campaign Fund.

Marcus A. Daly, Montana, principal owner of Anaconda mine.

This sum of \$159,000 represented Mr. Daly's own contribution and sums collected by him.....	\$159,000.00
David H. Moffat, First National Bank, Denver, Colo.....	18,000.00
W. S. Stratton, Colorado, owner of Independence mine.....	12,000.00
William A. Clark, of Montana.....	45,000.00
Dennis Shedy, Colorado National Bank, Denver, Colo.....	7,500.00
Charles D. Lane, of California.....	15,000.00
D. M. Hyman, Denver, Colo.....	7,500.00
Other Colorado mining interests.....	6,000.00
Utah Mining interests.....	18,372.00

Total contributions of the silver-mine owners to your campaign fund.....	288,000.00
--------------------------------------------------------------------------	------------

These contributions, as you doubtless know, Mr. Bryan, were all recorded in the books of the Democratic national committee, although in your eloquent appeals for publicity of political contributions you have never referred to the fact that the silver interests financed your Presidential campaign. \* \* \*

#### BRYAN FAVORS PERMANENT RETENTION OF PART OF THE PHILIPPINES.

##### Proposes to Retain Choice Sections and Set Up the Area so Retained as an "Oriental Territory," of the United States with a Delegate in Congress.

Mr. William Jennings Bryan seems to have changed his views as to the justice of American control in the Philippines, and now favors the retention of Philippine territory for permanent ownership by the United States. At least this was his view in 1906, after a visit to those islands. In one of his syndicate letters (sold to American newspapers at so much per column), during his trip around the world, he put forth the proposition that the United States Government should take permanent possession of such portion of the Philippine Islands and harbors as it might choose, and give the Filipinos independence and protection in only such of the area as might remain. Even this proposition of generously allowing them to retain such parts of the islands as we might not want for our own permanent occupancy and ownership is to be confined for the present to the northern part of the group, and full control retained indefinitely (with a shadowy promise of something sometime) in the southern islands, especially in the large and extremely fertile island of Mindanao (about the size of the State of Indiana), which, he naively remarks, "seems to be the most inviting place" for Americans.

The following are extracts from the letter, as published in the Washington Post of April 29, 1906, and in many other newspapers of the United States and Europe, the letter being, it will be observed, "copyrighted in Great Britain." The letter was also published in full in Mr. Bryan's own paper the "Commoner" on May 4, 1906.

By William Jennings Bryan.

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SINGAPORE, Jan. 22, 1906.

In speaking of Philippine independence I have presented some of the reasons given by Filipinos for desiring it, but there are arguments which ought to appeal especially to Americans. If it were our duty to maintain a colonial policy, no argument could be made against it, because duties are imperative and never conflict. If, on the other hand, the Filipinos desire independence and are capable of self-government, we cannot justify the retention of the islands unless we are prepared to put our own interests above theirs, and even then we must be satisfied that our interests will be advanced.

If it is urged that we need the Philippine Islands as a base for the extension of our trade in the Orient, I answer that it is not necessary to deny the Filipino independence in order to hold a sufficient number of harbors and coaling stations to answer all requirements of trade. The Filipinos are not only anxious to have the advantage of our protection, but they recognize that to protect them we must have harbors and a naval base. In return for the services we have rendered them *we have the right to ask*, and they would gladly grant, *such reservations as we might need*. These reservations could be properly fortified and would furnish coaling stations both for our own navy and for our merchant marine.

If our nation would at once declare its intention to treat the Filipinos living north of Mindanao as it treated the Cubans, and then proceed, first, to establish a stable government, patterned after our own; second, to convert that government into a native government by the substitution of Filipino officials as rapidly as possible; third, to grant independence to the Filipinos, *reserving such harbors and naval stations as may be thought necessary*; and fourth, to announce its purpose to protect the Filipinos from outside interferences while they work out their destiny—if our nation would do this, it would save a large annual expense, protect its trade interests, gratify the just ambitions of the Filipinos for national existence, and repeat the moral victory won to Cuba.

In return for protection from without, the Filipinos would agree, as the Cubans did, that in their dealings with other nations they would not embarrass us.

*The reservations retained could be converted into centers for the extension of American influence and American ideals, and our nation would increase its importance as a real world power.*

Our reservations ought to contain model schools, with a central college, experimental farms, and institutions in which the people could be trained in the arts and industries most suited to the natural resources of the country. At our reservations there would be religious freedom, freedom of speech, freedom of press, self-government, and public instruction for all, and every uplifting influence would have free play. If we believe right makes might and that truth has within itself a propagating power, we cannot doubt the spread of American civilization from these American centers.

While the Philippine Islands are under American authority, the government ought to be administered for the benefit of the Filipinos, in accordance with Secretary Taft's promise. If they are to be subject to our tariff laws when they buy of other nations, they ought to have free trade with us, but the Philippine Islands are so far from us that it would be more just to allow the Philippine tariff to be made by the Philippine assembly soon to be established. The Filipinos belong to the Orient, and their dealings must be largely with the countries of the Orient; unless they are in a position to have their tariff laws conform to their geographical position, there must necessarily be friction and injustice.

So important are geographical considerations that Americans who see fit to take up their residence upon such reservations as we retain for harbors, coaling stations and a naval base ought to be freed from the fetters of our tariff laws and shipping laws.

*I even venture to suggest the creation of an Oriental territory, to be composed of such stations and reservations as we may now have or hereafter acquire in the Orient. This territory should have a delegate in Congress like other territories, but should be free by constitutional amendment from our tariff laws and permitted to legislate for itself upon this subject. It could thus establish free ports, if it chose, and give to its people the trade advantages enjoyed by those who live in Hong Kong, Singapore, and other open ports.*

In what I have said about independence and self-government in the Philippines, I have been speaking of Luzon and the other islands north of Mindanao. As I have already pointed out, the conditions existing in Mindanao and Sulu archipelago are so different from those existing in the northern islands that the two groups must be dealt with separately. It would not be fair to deny independence to the Christian Filipinos living in the north merely because the Moros have never shown any desire to adopt a republican form of government. (They live under a sort of feudal system, with sultan and datto as the ruling lords.) But while the work of establishing a stable government among the Moros is a more difficult one and will proceed more slowly, the same principles should govern it. While I do not believe that any large number of Americans could be induced to settle permanently in Mindanao (and Mindanao seems to be the most inviting place), there will be ample time to test this question while a government is being established among the Moros.



So it appears that Mr. Bryan, after seeing the islands, has become an Imperialist in the full sense of the word, and calmly proposes that instead of governing them with the plan of ultimate independence for all their people and territory, we shall seize as much of the territory as we may desire, including, of course, its best harbors, and set it up as a Territory of the United States, without any question as to the wishes of the people there residing and owning homes. He has insisted that the Republican policy of depriving the Filipinos of self-government even temporarily is wrong; now he proposes to compel them to pay for independence in a part of their territory by giving up another part to become permanently a part of the United States. Nor does he indicate how large an area he would compel them to pass over to us, whether one-tenth, one-fourth, or one-half of the islands would ultimately become the proposed "Oriental Territory," with a delegate in the United States Congress.

If one visit to the islands convinces Mr. Bryan that we should retain a part of their area (the most valuable of course) and make it a Territory of the United States, with a delegate in Congress, would another visit convince him that we should retain them all and bring them in as States, with Senators and Representatives?

Mr. Bryan has asserted that we were and are doing the Filipinos great injustice by depriving them of independence. Now he proposes that we compel them to buy that independence for a part of their people by giving us therefor a part of their area and population, and that we make that area a Territory of the United States. If it was wrong to even temporarily deprive the islands as a whole of independence, how would it be right to take a part of that territory (no matter how small) and make it forever subject to the United States, forcing the people to assent to this as the price of giving up the remainder? Does he propose that we must now be paid for doing what he says should have been freely done long ago?

The national Democratic platform also supports the proposition in modified form, as follows:

"We favor an immediate declaration of the nation's purpose to recognize the independence of the Philippine Islands as soon as the stable government can be established, such independence to be guaranteed by us as we guarantee the independence of Cuba, until the neutralization of the islands can be secured by treaty with other powers. *In recognizing the independence of the Philippines our government should retain such land as may be necessary for coaling stations and naval bases.*"

**Bryan Yearns over Filipinos, but will not Imperil his Political Chances to Demand Justice for the American Negro.**

[New York Evening Post, Democratic.]

Mr. Bryan made his great bid for Southern delegates last night, and we do not doubt that he will get them. In answer to a question after his address on "Universal Brotherhood" at Cooper Union, he stood up openly for negro disfranchisement in the South. Of course, he had to put in the usual assertion that if Northern Republicans had lived in the South they would have done the same as Southern Democrats, but what has that to do with a question of morals and of law, which Mr. Bryan was professing to discuss without any personal or party interest? He yearns over the oppressed Filipino; his heart bleeds for the poor and down trodden everywhere; yet when it comes to equal treatment for the black men of his own country, all he has to say is that "the white men of the South are determined that the negro shall be disfranchised everywhere it is necessary to prevent the recurrence of the horrors of carpet-bag rule." This will be telegraphed all over the South to-day, and will doubtless kill off the opposition to Bryan there, but it leaves his "Universal Brotherhood" looking like the cheapest kind of cant. The wronged negro asks: "Am I not a man and a brother," but Mr. Bryan's reply is: "Not if you live in the South, and if saying a word for your rights would imperil my political fortunes."

**Bryan says he is More Radical than in 1896.**

LONDON, July 12, 1906.

William J. Bryan, having read the American newspapers, consented to-day to discuss questions raised since he again became prominent as a Presidential possibility. He said:

"I notice that I am now described by some as a conservative. In one sense I always have been a conservative. The Democratic policies are conservative in that they embody old principles applied to new conditions.

"If, however, by the word conservative they mean that I have changed my positions on any public question or moderated my opposition to corporate aggrandizement they have a surprise waiting for them. I am more radical than I was in 1896 and have nothing to withdraw on economic questions which have been under discussion.

"The only question we discussed in 1896 upon which there has been any apparent change is the silver question, and that has not been a change in the advocates of bimetallism, but in conditions. I believe in bimetallism, and I believe that the restoration of silver would bring still further prosperity, besides restoring par in exchange between gold and silver using countries; but I recognize, as do all other bimetallists whom I have met abroad, that the unexpected and unprecedented increase in gold production has for the present removed the silver question as an issue."

At the Fourth of July meeting of the American Society in London Mr. Bryan said with reference to the silver question:

"I wish to say that when I see the progress my country has made walking on one leg, I wonder what it would have done walking on two legs."

**Bryan's Nomination Means Taft's Election.**

[New York World, June 19, 1908.]

With Mr. Bryan as Mr. Taft's opponent the campaign can end only in a Republican victory. Mr. Bryan has been leader of the Democratic party virtually for twelve years, and the state of the party bears eloquent testimony to the quality of his leadership. Of forty-six States the Democrats control only thirteen and the Republicans thirty-three. There are only thirty-one Democrats in the United States Senate to sixty-one Republicans, and another Republican Senator, elected in Kentucky to succeed a Democrat, will take his seat March 4. There are only two anti-Republican Senators north of the line of the Missouri Compromise. Outside of New York city there are only thirty-seven Democrats in both houses of Congress from the entire East, North, and West.

Mr. Bryan's own State has gone Republican in every election for seven years, although he arranged a fusion ticket and framed a platform for every campaign. New Jersey, the only Northern State which failed to give its electoral votes to Lincoln in 1860 and which went Democratic in every national election but one for forty years gave a Republican majority of 87,000 against Mr. Bryan in 1896 and has been Republican ever since.

The story of New York is not greatly unlike the story of New Jersey. Thanks to Bryanism, New York ceased to be a debatable State in Presidential elections. The Republican plurality in 1896 was 268,000; in 1900 it was 143,000; in 1904 it was 175,000. In most of the counties of this State the Democratic party has all but gone out of existence. A parallel to the disastrous consequences of Bryan leadership can be found only in the civil war.

Every idea, principle, or issue represented by Mr. Bryan or presented against him by the Republicans has been submitted to the verdict of the voters in the Congressional elections during the last twelve years no less than in the Presidential elections, and in every House of Representatives chosen the Republicans have had a majority. It is evident that only new conditions, new issues, and new candidates can produce any decided change from the results of these preceding elections. With an unbeaten candidate on an unbeaten platform the Democrats would have a fighting chance in the campaign, despite the long demoralization of their party; but what can a thrice-beaten party do with a twice-beaten candidate whose policies have already overwhelmed the Democratic organization in wreck and ruin?



## Mr. Bryan's Trust Ratio.

CLEVELAND, OHIO, Sept. 15, 1906.

In a reply to a personal letter of request by Editor George Smart, of the Iron Trades Review, that William Jennings Bryan define more clearly and succinctly his position in regard to the so-called trusts, the Democratic leader has responded in the following words:

"I am not prepared to state just how much a proportion a corporation can control without becoming a trust in the sense that it limits competition, and competition controls the price and terms of sale. For the conduct of my paper, I drew the line at 50 per cent, and do not accept an advertisement of a corporation controlling more than 50 per cent of the product in which it deals.

"I am inclined to believe, however, that the steel trust controls more of the product than it is good for the American people that one corporation should

"In saying that a corporation should not be licensed when it controls enough to eliminate competition, I do not mean to say that the individual industries that are under one management should be destroyed. The corporation should simply be compelled to reduce its factories until its production is in the limit fixed by law."

## WILLIAM RANDOLPH HEARST ON THE DEMOCRATIC PARTY AND ITS CANDIDATE.

[From Mr. Hearst's speech to the National Convention of the Independence Party at Chicago, July 28, 1908.]

The Democratic platform contains some good and original things, but, as has been said, the original things are not good and the good things are not original.

It was built by political jackdaws who feathered their nests with the plumes of others without understanding of their significance or intention as to their performance.

It is the habitation of a hermit crab which has no shell of its own and invades the first convenient one without regard to property or propriety.

It is a platform, too, of reconciliation and retraction of atonement and apology, of harmony and hypocrisy, for, in compliance with a former compact, Parker has pronounced peace, Bill Bailey has poured Standard Oil upon the troubled waters, and Bryan has killed not only the fatted calf but the goose that laid the golden egg.

No man can serve two masters, and no man can conciliate the conflicting elements of the Democratic party. He who tries must serve one and deceive the other; must make public pretense to the people and private compact with the trusts.

The Democratic vanguard is a Falstaff's army. It is led by a knight arrayed in a motley of modified professions and compromised principles, of altered opinions and retracted statements.

A Falstaff's army, whose banner bears on one side a watchword for the people and on the other a password for the trusts, whose only object is office at any cost, whose motto is "after us the deluge."

Assuming that Mr. Bryan himself is all that his most ardent admirers claim him to be, a great lawyer, an enlightened statesman, an inspired patriot, still a man is known by the company he keeps, and no decent Democrat can tolerate his free companions. No honest citizen can let down the bars of office to such an Ali Baba's band of boodlers and braves.

No prudent citizen will support a combination to which Taggart supplies a candidate and Parker a platform for which Bryan will pay the freight and the people will pay the penalty.

## Mr. Hearst's Reply to Mr. Gompers's Message.

[From the New York American, July 17, 1908.]

The following cablegram from Mr. Hearst has been received in reply to a message transmitted to Mr. Hearst from Samuel Gompers, stating that in view of the Democrats' stand for labor it would be "an act of greatest patriotism for the Independence Party to indorse the Democratic platform," and urging him not to run a third ticket, as it would elect Mr. Taft:

Paris, July 13th.

"Tell Mr. Gompers that I am not authorized to speak for the membership of the Independence Party, but according to my personal standards a purer patriotism consists in laboring to establish a new party which will be consistently devoted to the interest of the citizenship, and particularly to the advantage and advancement of the producing classes.

"I do not think the path of patriotism lies in supporting a discredited and decadent old party, which has neither conscientious conviction nor honest intention, or indorsing chameleon candidates who change the color of their political opinion with every varying hue of opportunism.

"I do not think the best benefit of laboring men lies in supporting that old party because of a sop of false promise, when the performance of that party while in power did more to injure labor than all the injunctions ever issued before or since.

"I have lost faith in the empty professions of an unregenerate Democracy. I have lost confidence in the ability, in the sincerity and even in the integrity of its leaders.

"I do not consider it patriotism to pretend to support that which, as a citizen, I distrust and detest, and I earnestly hope that the Independence Party will give me an opportunity to vote for candidates that are both able and honest, and for a declaration of principles that is both sound and sincere.

"WILLIAM RANDOLPH HEARST."

# WATTERSON'S OPINION OF BRYAN AND BRYANISM IN 1896.

Extracts From Louisville Courier Journal During Mr. Bryan's First Campaign for the Presidency.

[From Courier-Journal, Tuesday, July 14, 1896.]

Geneva, Switzerland, July 13, 1896, via French Cable.

Walter N. Haldeman, President Courier-Journal Company, Louisville, Ky.:

Another ticket our only hope. No compromise with dishonor. Stand firm.

HENRY WATTERSON.

The Democratic party seems threatened with engulfment in a deluge of populism and anarchy. \* \* Swayed backward and forward by the latest utterances of ridiculous oratory, they ended by making a platform which is in itself an insult to every Democrat, and placed upon that platform a fire-eating populist, whose chief merit is a capacity for arousing similar people by inflammatory rhetoric. As one of our contemporaries puts it, "Lunacy having dictated the platform, it is perhaps natural that hysteria should evolve the candidate." Men like Bryan are agitators, rabble-rousers and spellbinders; but no man would trust them at the head of an ordinary business to manage its executive affairs, much less at the head of a great nation. \* \* \* To elect him would mean repudiation, anarchy, and national and social ruin.—*Courier Journal*, July 13, 1896.

If this were a campaign of common sense, or even of sanity, Mr. Bryan could be counted on to quickly talk himself to death; but as it is Mr. Bryan's demagogic loquacity is to be the main reliance of his party for rabble-rousing votes.—*Courier Journal*, July 15, 1896.

"Bryan is only Tillman in better English." There is a deal of truth in that. Tillman and Bryan teach the same creed, but Tillman is rough and uncouth, whereas Bryan knows the art of oratorical expression. Bryan was nominated because he was the first man who was able to make the convention see and feel that he was as wild as it was.—*Courier Journal*, July 15, 1896.

Mr. Bryan is nothing but a Populist in doctrine and practice. \* \* The same hands which opened the gates to the admission of the Tillmans, the Altgelds, the Debses, and such like cattle, drove out the Carlises, the Villases, the Whitneys, the Herberts, the Palmers and other stalwart exponents of Democracy who have fought every fight their party has known for years and have never laid sturdier blows on Republicanism than on anarchy and populism.—*Courier Journal*, July 16, 1896.

The flag that floats over the names of Bryan and Sewall is the flag of pirates, \* \* of the socialists, and of anarchists, rather than that of Democrats.—*Courier Journal*, July 17, 1896.

Outside of the radical declaration for free coinage, no part of the Chicago platform has occasioned more alarm than the plank which condemned the Federal Government for interfering to preserve life and order during the great riots of 1894. \* \* \* The defeat of the candidate representing such sentiments is not partisan nor a sectional issue, but a moral duty.—*Courier Journal*, July 21, 1896.

The Populists did the consistent thing in nominating Mr. Bryan for the Presidency. There is hardly a plank in the Chicago platform which is not also in the Populist platform. Bryan, judged by his record and by his professed principles, is just as good a Populist as any of them. With one foot on the Chicago platform, and the other on the St. Louis platform, he can stand comfortably on either leg or both. It is truly a strange and disgusting spectacle to real Democrats.—*Courier Journal*, July 26, 1896.

Is it Bryan and Sewall or Bryan and Watson? It is immaterial. In either case it is Bryan and Populism, Bryan and repudiation, Bryan and riot, Bryan and ruin.—*Courier Journal*, July 27, 1896.

The three R's of Bryan's campaign seem to be Repudiation, Riot, and Ruin.—*Courier Journal*, July 29, 1896.

Bryan seemed proud to be introduced to make one of his speeches by Coxe's man, Carl Browne. How does that sit upon the stomach of the Democrat and those who must vote for Bryan?—*Courier Journal*, August 12, 1896.

The fierce light that beats upon a Presidential candidate is bringing out the weaknesses and absurdities of Mr. Bryan's public career, with a vengeance. No matter under what guise he presents his views on governmental politics, the same communistic principles are always apparent. \* \* \* That any party should have stooped to take up a candidate with such crazy-quilt ideas of political economy is hardly more disgusting than alarming. What would Jefferson or Hamilton or the other great statesmen of the Revolutionary period think if they were inform



that this intellectual whipper-snapper, this puling infant of logic would one day be deemed worthy of a seat at the same table with them.—*Courier Journal*, August 26, 1896.

Bryan's program is on a more majestic scale than Coxey's, but it is essentially the same and is fully as ridiculous and as dangerous.—*Courier Journal*, August 26, 1896.

Of course government ownership is what all Populists desire, and it would be especially gratifying to Mr. Bryan and his crowd, since this would provide several thousand lucrative places for the spoilsman.—*Courier Journal*, January 13, 1897.

Without exceptions, the free silver leaders are either visionary men of limited business experience, or else mere professional politicians, holding or seeking office. \* \* \* \* are both incompetent and obsolete. They belong to a past age. They may flourish a while longer as Populists. But they can do nothing as Democrats. They will grow fewer and fewer, and beautifully less, until as leaders they peter out altogether.—*Courier Journal*, January 14, 1897.

As far as the *Courier Journal* is concerned it will support NO man for office who has the smell of Altgeldism or Tillmanism upon his garments, or whose boots carry one speck of Populist mud, either at the heel or at the toe. \* \* \* A short horse is soon curried, and this 16 to 1, go-as-you-please, slick-in-the-mud, free silver short horse, is very short, indeed, as a matter of fact, very little short of a jackass.—*Courier Journal* January 15, 1897.

When, last July, a convention met in Chicago, bearing the credentials of the National Democracy, authorized to enunciate a Democratic platform and choose Democratic leaders; when that convention leaped madly into the arms of Communism, snatched up the alien flag of Populism and, amid scenes of wildest abandonment to unreason and passion, proclaimed it the ensign of Democracy; when the convention, breaking in contempt the time-honored tablets of the father's creed, set up in their stead the new faith of all the clashing and clamoring malcontents who had fashioned their fanaticism upon opposition to Democracy; when that convention, following out its frantic surrender to heretic dogmas, nominated for the Presidency a young and desperate adventurer because he had the voice and the presence to best give expression to the evil passions of the hour, and nominated for the Vice-Presidency a lobbyist for Government subsidies to his individual interests, it struck a stinging blow full in the face of every true Democrat.—*Courier-Journal*, September 2, 1896.

This youngster, who has set himself up as the financial teacher of the American people, travels over the land with a tireless tongue and a voluminous vocabulary, blandly telling the people of the impossible things that will happen in the future and free coinage of silver, when he is utterly ignorant of the simplest facts of our past financial history.—*Courier-Journal*, September 3, 1896.

The workman, threatened with the loss of 49 cents in every dollar of wages, is consoled with the assurance that should he strike for the restoration of the wages he is getting now, in the shape of a larger number of silver dollars, he will be allowed to proceed to any acts of violence by either the State or National Government. A few workmen may be silly enough to accept this substitute of a stone for bread.—*Courier-Journal*, September 12, 1896.

The speeches which William J. Bryan has been making on his tours are, without exception, the most incendiary and dangerous utterances ever addressed to the American people by a Presidential candidate. He has not been content to hold up himself and his followers as the only champions of the poor and oppressed; he has denounced the supporters of an honest monetary standard as no better than midnight robbers, and he urges that they be treated as an invading army. He has gone even farther than to countenance an open revolution; he has asked the American people to become hypocrites and liars.—*Courier-Journal*, September 5, 1896.

Mr. William J. Bryan has come to Kentucky, and Kentuckians have taken his measure. He is a boy orator. He is a distinguished dodger. He is a daring adventurer. He is a political fakir. He is not of the material of which the people of the United States have ever made a President, nor is he even of the material of which any party has ever before made a candidate for the Presidency.—*Courier-Journal*, September 15, 1896, the day after Bryan's speech in Louisville.

Mr. Bryan and his silver friends announce that they are not afraid to be called demagogues. Let us remind them that Benjamin Franklin once observed that experience was a dear school, but fools would learn in no other, and often not even in that. In no country in the world are demagogues so despised and distrusted as in America. Let the people once understand Bryan's real character and they will drop him as completely as they dropped Denis Kearney and "Gen." Coxey.—*Courier-Journal*, September 13, 1896.

We are told that the farmers of the West and South will support Bryan because they feel that they must fight the "capitalistic classes," whose interests, it is alleged, are diametrically opposed to theirs. We do not believe this for several reasons. \* \* \* We have many farmers who are very wealthy men, who have large numbers of employees and bank accounts. \* \* \* Now what does this mean? Simply that to the repudiators and anarchists like Altgeld, Tillman and Debs, who are taking such a pronounced part in this campaign, the farmer with his comfortable home and comparative financial independence is bound to become an object of suspicion and attack—if not now at some very early date.—*Courier-Journal*, September, 26, 1896.

Bourke Cockran said no brighter, truer thing in his great speech here than was embodied in his definition of Populism: "Sonorous declama-

tion based upon a fundamental misconception of facts." This satire eats like vitriol into the shallow assertions of calamity howlers, but from Bryan to Weaver, down to Watson and Blackburn it fits them to a T.—*Editorial, Courier-Journal, October 27, 1896.*

It is apparent that Mr. Bryan is much better adapted for a theatrical press agent than for a United States President, but it is also apparent that he would shine still better standing on a red wagon oratorically selling some magic preparation, like Bryan's blessed balsam for bunions.—*Editorial, Courier-Journal, October 21, 1896.*

Bryan is beaten—ingloriously and overwhelmingly. So closes the second great era of national peril which has menaced our Government. So lift the clouds of flatism and repudiation which lowered above the land in ominous threat of dishonor and disaster. So breaks the sun of a new dawn upon our manhood proven, our integrity vindicated, our intelligence victorious, our institutions impregnable. \* \* \* Thank God. In the name of a long-suffering people, thank God.—*Courier-Journal, November 4, 1896, editorial headed "The Inevitable."*

### "HE" IS IN POLITICS BECAUSE IT HELPS THE GATE RECEIPTS."

**What Roger C. Sullivan, Democratic National Committeeman, Said of Mr. Bryan in 1906.**

[From public statement issued at Chicago, September 7, 1906, by Roger C. Sullivan, then the Illinois member of the Democratic National Committee.]

Mr. Bryan has twice led the Democratic party to defeat, the second a worse defeat than the first. If he is proud of that evidence of the people's confidence in his sincerity, he is welcome to it. But his boast of sincerity merits further consideration. He insinuates that I make money out of politics, and that his sincerity therefore compels him to oppose my participation in Democratic affairs. The plain inference is that Mr. Bryan thinks it wrong to make money out of politics. This boast of his puts the stamp of insincerity all over him. If Mr. Bryan thinks it wrong to make money out of politics, he should quit making money. Mr. Bryan has not one dollar that he ever made out of anything but politics. He tried to be a lawyer; he was a failure at it. He tried to be a newspaper editor; he was a failure at that. He is a now a man of property. As fortunes go, he is a rich man. He made every dollar of his fortune out of politics as a stepping-stone to the lecture platform. Mr. Bryan discovered, many years ago, that he could make his political prominence pay. He is a shrewd advertiser, and in his way a clever business man. He has discovered that so long as he is candidate for President and a possible nominee, gifted with the ability to weave flowing sentences into well-rounded periods, the public will come to hear him at so much a head. He is in politics because it helps the gate receipts. Like the actresses who have discarded the stolen diamonds dodge for the greater publicity of a divorce suit, Mr. Bryan will quit running for President and will quit politics just as soon as he discovers that some other form of advertising will bring more dollars to the box office when he is announced to appear on the stage.

### CENTRALIZATION.

**Marked Change in Democratic Sentiment as Illustrated by the Bryan Platforms.**

The New York Times (Democratic) publishes the following extracts from national Democratic platforms, showing how the Bryan platform runs counter to Democratic tradition:

1872

Local self-government with impartial suffrage will guide the rights of all citizens more securely than any centralized power.

1876.

\* \* \* A corrupt centralism which \* \* \* has honeycombed the offices of the Federal Government.



1880

\* \* \* Opposition to centralizationism and to that dangerous spirit of encroachment which tends to consolidate the powers of all the departments in one, and thus to create, whatever the form of government, a real despotism.

1884.

The reserved rights of the States and the supremacy of the Federal Government within the limits of the Constitution will ever form the true base of our liberties, and can never be surrendered without destroying that balance of rights and powers which enables a continent to be developed in peace and social order to be maintained by means of local self-government.

1888.

\* \* \* Strictly specifying every granted power and expressly reserving to the States or people the entire ungranted residue of power.

1892.

The tendency to centralize all power at the Federal capital has become a menace to the reserved rights of the States that strikes at the very roots of our Government under the Constitution, as framed by the fathers of the Republic.

1896.

During all these years the Democratic party has resisted the tendency of selfish interests to the centralization of governmental power and steadfastly maintained the integrity of the dual system of government established by the founders of this republic of republics.

1900.

Bryan's platform contains no reference to centralization.

1904.

Under them (the Democratic party) local self-government and national unity and prosperity were alike established.

1908.

We favor such legislation as will increase the power of the Interstate Commerce Commission.

We believe that in so far as the needs of commerce require an emergency currency such currency should be issued, controlled by the Federal Government.

We pledge the Democratic party to the enactment of a law to regulate the rates and services of telegraph and telephone companies engaged in the transaction of messages between the States, under the jurisdiction of the Interstate Commerce Commission.

Among the additional remedies we specify \* \* \* a license system which will, without abridging the right of each State to create corporations or its right to regulate as it will foreign corporations doing business within its limits, make it necessary for a manufacturing or trading corporation engaged in interstate commerce to take out a Federal license.

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Passed at the instance of Mr. Roosevelt, it (the Rate law) stands as a monument to the principle which he has incessantly maintained in speech and action, that the laws must be so made that they can be enforced as well against the sins of the wealthy and the powerful as against those of the poor.—Hon. Wm. H. Taft, at Columbus, Ohio.

Mr. Bryan says he would extirpate trusts, root and branch. If Mr. Bryan's language is more than mere rhetoric and he means to seize the property, to divide it up and sell it in pieces, and disassemble the parts, then I am not in favor of his method of dealing with trusts, because I believe that such large combinations legitimately conducted greatly add to the prosperity of the country.—Hon. Wm. H. Taft, at Columbus, Ohio.

*One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure; BRYAN'S NOMINATION MEANS TAFT'S ELECTION.*—New York World.

# "EQUAL JUSTICE TO ALL MEN WITHOUT REGARD TO RACE OR COLOR."

## The Demand of the Republican Party—Contrast the Attitude of the Democratic Leaders and Party.

### REPUBLICAN SENTIMENTS.

"The Republican party has been for more than fifty years the consistent friend of the American negro. It gave him freedom and citizenship. It wrote into the organic law the declarations that proclaim his civil and political rights, and it believes to-day that his noteworthy progress in intelligence, industry and good citizenship has earned the respect and encouragement of the nation. We demand equal justice for all men, without regard to race or color; we declare once more, and without reservation, for the enforcement in letter and spirit of the thirteenth, fourteenth and fifteenth amendments to the Constitution, which were designed for the protection and advancement of the negro, and we condemn all devices that have for their real aim his disfranchisement for reasons of color alone, as unfair, un-American and repugnant to the supreme law of the land."—From Republican platform adopted at National Convention 1908.

### DEMOCRATIC SENTIMENTS.

"The white man in the South has disfranchised the negro in self-protection; and there is not a Republican in the North who would not have done the same thing under the same circumstances. The white men of the South are determined that the negro will and shall be disfranchised everywhere it is necessary to prevent the recurrence of the horrors of carpetbag rule."—William Jennings Bryan in speech at New York in 1908.

"I favor, and if elected will urge with all my power, the elimination of the negro from politics."—Hoke Smith, Governor of Georgia; Secretary of Interior under President Cleveland.

"In my opinion the granting of universal suffrage to the negro was the mistake of the nineteenth century."—Col. Hilary A. Herbert, Secretary of Navy under President Cleveland.

"We stuffed ballot boxes, we shot negroes; we are not ashamed of it."—Senator Tillman in United States Senate.

## THE ELECTION LAWS OF THE SOUTH.

The following are sections of some of the election laws of the South, many of them framed for the avowed purpose of depriving Afro-American citizens of the right to vote. It will be seen that the Louisiana and North Carolina laws are especially framed for the purpose of making the educational test apply only to the Afro-Americans, and all persons who were voters prior to January 1, 1867, and their lineal descendants are exempt from the provisions of the law, which disqualifies persons because of illiteracy:

### Mississippi.

"Section 244. On and after the first day of January, 1892, every elector shall, in addition to the foregoing qualifications, be able to read any section of the Constitution of this State; or he shall be able to understand the same when read to him, or to give a reasonable interpretation thereof."

### Louisiana.

"Section 3. He (the voter) shall be able to read and write, and shall demonstrate his ability to do so when he applies for registration, by making, under oath administered by the registration officer or his deputy, written application therefor, in the English language or his mother tongue."

which application shall contain the essential facts necessary to show that he is entitled to register and vote, and shall be entirely written, dated and signed by him, in the presence of the registration officer, or his deputy, without assistance or suggestion from any person or memorandum whatever, except the form of application hereinafter set forth. \* \* \*

"Section 5. No male person who was on January 1st, 1867, or at any date prior thereto, entitled to vote under the Constitution or statutes of any State of the United States, wherein he then resided, and no son or grandson of any such person not less than twenty-one years of age at the date of the adoption of this Constitution, and no male person of foreign birth, who was naturalized prior to the first day of January, 1885, shall be denied the right to register and vote in this State by reason of his failure to possess the educational or property qualifications prescribed by this Constitution; provided, he shall have resided in this State for five years next preceding the date at which he shall apply for registration, and shall have registered in accordance with the terms of this article prior to September 1, 1898, and no person shall be entitled to register under this section after that date."

#### North Carolina.

"Section 4. Every person presenting himself for registration shall be able to read and write any section of the Constitution in the English language. \* \* But no male person who was, on January 1, 1867, or at any time prior thereto, entitled to vote under the laws of any State in the United States wherein he then resided, and no lineal descendant of any such person shall be denied the right to register and vote at any election in this State by reason of his failure to possess the educational qualifications herein prescribed; Provided, he shall have registered in accordance with the terms of this section prior to December 1, 1908.

"The General Assembly shall provide for the registration of all persons entitled to vote without the educational qualifications herein prescribed, and shall, on or before November 1, 1908, provide for the making of a permanent record of such registration, and all persons so registered shall forever thereafter have the right to vote in all elections by the people of this State, unless disqualified under section 2 of this article: Provided, such person shall have paid his poll tax as above prescribed."

#### Alabama.

1st. Those who can read and write any article of the Constitution of the United States in the English language, and who are physically unable to work; and those who can read and write any article of the Constitution of the United States in the English language and who have worked and been regularly engaged in some lawful employment, business or occupation, trade or calling for the greater part of the twelve months next preceding the time they offer to register, and those who are unable to read and write, if such inability is due solely to physical disability; or,

2nd. The owner in good faith in his own right, or the husband of a woman who is the owner in good faith in her own right, of forty acres of land situate in this State, upon which they reside; or the owner in good faith in his own right or the husband of any woman who is the owner in good faith in her own right of any real estate situate in the State assessed for taxation at the value of three hundred dollars or more, or the owner in good faith in his own right or the husband of any woman who is the owner in good faith of her own right of personal property in this State assessed at taxation at three hundred dollars or more; provided that the taxes due upon such real estate or personal property for the year next preceding the year for which he offers to register shall have been paid unless the assessment shall have been legally contested and is undetermined.

#### South Carolina.

Section 174. Every male citizen of this State and of the United States, twenty-one years of age and upwards, not laboring under disabilities named in the Constitution of 1895 of this State, and who shall have been a resident of the State for two years, in the county one year, in the polling precinct in which the elector offers to vote four months before any election, and shall have paid six months before any election any poll tax then due and payable, and who can read and write any section of the said Constitution submitted to him by the registration officers, or can show that he owns and has paid all taxes collectible due the previous year on property in the State assessed at \$300 or more and who shall apply for registration shall be registered.

#### Virginia.

Sec. 20. Who may register after 1904.

After the first day of January, 1904, every male citizen of the United States having the qualifications of age and residence required by section 18 shall be entitled to register, provided:

1st. That he has personally paid to the proper officer all State poll taxes assessed or assessable against him under this or the former Constitution for the three years next preceding that in which he offers to register; or, if he comes of age at such time that no poll taxes shall have been assessed against him for the year preceding the year in which he offers to register, has paid one dollar and fifty cents in satisfaction of the first year's poll tax assessable against him; and

That unless physically unable, he makes application to register in his own handwriting without aid, suggestion or memorandum in the presence of the registration officers, stating therein his name, age, date, and place of birth, residence and occupation at the time and whether he has previously voted, and if so, the State, county and precinct in which he voted last, and,



Third. That he answer on oath any and all questions affecting his qualifications as an elector submitted to him by the officers of registration, which questions and his answers thereto shall be reduced to writing, certified by the said officers and preserved as part of their official records.

Sec. 22. No person who during the late war between the States served in the Army or Navy of the Confederate States shall at the time be required to pay a poll tax as a prerequisite to the right to vote. \* \* \*

### The Georgia Constitutional Amendment.

The amendment to the Constitution of Georgia, which is to be submitted to the voters of that State in November, is as follows:

"Section 1. Elections by the people shall be by ballot, and only those persons shall be allowed to vote who have first been registered in accordance with the requirements of law.

"Par. 2. Every male citizen of the State who is a citizen of the United States, twenty-one years old or upwards, not laboring under any of the disabilities named in this article, and possessing the qualifications provided by it, shall be an elector and entitled to register and vote at any election by the people; provided, that no soldier, sailor, or marine in the military or naval service of the United States shall acquire the rights of an elector by reason of being stationed on duty in this State.

"Par. 3. To entitle a person to register and vote at any election by the people, he shall have resided in the State one year next preceding the election, and in the county in which he offers to vote six months next preceding the election, and shall have paid all taxes which may have been required of him since the adoption of the Constitution of Georgia of 1877, that he may have had an opportunity of paying agreeably to law. Such payment must have been made at least six months prior to the election at which he offers to vote, except when such elections are held within six months from the expiration of the time fixed by law for the payment of such taxes.

"Par. 4. Every male citizen of this State shall be entitled to register as an elector and to vote at all elections of said State who is not disqualified under the provisions of section 2 of article 2 of this Constitution, and who possesses the qualifications prescribed in paragraphs 2 and 3 of this section or who will possess them at the date of the election occurring next after his registration, and who in addition thereto comes within either of the classes provided for in the five following subdivisions of this paragraph.

"1. All persons who have honorably served in the land or naval forces of the United States in the Revolutionary war, or the war of 1812, or in the war with Mexico, or in any war with the Indians or in the war between the States, or in the war with Spain, or who honorably served in the land or naval forces of the Confederate States, or of the State of Georgia in the war between the States, or,

"2. All persons lawfully descended from those embraced in the sub-division next above, or,

"3. All persons who are of good character, and understand the duties and obligations of citizenship under a republican form of government, or,

"4. All persons who can correctly read in the English language any paragraph of the Constitution of the United States or of this State, and correctly write the same in the English language when read to him by any one of the registrars, and all persons who, solely because of physical disability, are unable to comply with the above requirements, but who can understand and give reasonable interpretation of any paragraph of the Constitution of the United States or of this State, that may be read to them by one of the registrars, or,

"5. Any person who is the owner in good faith in his own right of at least forty acres of land situated in this State, upon which he resides, or is the owner in good faith in his own right, of property situated in this State and assessed for taxation at the value of five hundred dollars."

Par. 5. The right to register under sub-divisions 1 and 2 of paragraph 4 shall continue only until January 1, 1915. But the registrars shall prepare a roster of all persons who register under sub-divisions 1 and 2 of paragraph 4, and shall return the same to the Clerk's office of the Superior Court of their counties and the Clerks of the Superior Court shall send copies of the same to the Secretary of State, and it shall be the duty of these officers to record and permanently preserve these rosters. Any person who has been once registered under either of the sub-divisions 1 or 2 of paragraph 4, shall thereafter be permitted to vote, provided, he meets the requirements of paragraphs 2 and 3 of this section.

Par. 6. Any person to whom the right of registration is denied by the registrars on the ground that he lacks the qualifications set forth in the five sub-divisions of paragraph 4, shall have the right to take an appeal, and any citizen may enter an appeal from the decision of the registrars allowing any person to register under said sub-divisions. All appeals must be filed in writing with the registrars within ten days from the date of the decision complained of and shall be returned by the registrars to the office of the Clerk of the Superior Court to be tried as other appeals.

Par. 7. Pending an appeal and until the final decision of the case, the judgment of the registrars shall remain in full force.

Par. 8. No person shall be allowed to participate in a primary of any political party or a convention of any political party in the State who is not a qualified voter.

### Maryland.

The following is the text of the amendment to the Constitution of the State of Maryland, which is to be submitted to the voters of that State at the November election:



Section 1. All elections shall be by ballot, and every male citizen of the United States of the age of twenty-one or upward, who has been a resident of the State for two years and of the Legislative District of Baltimore City or in the county in which he may offer to vote, for one year next preceding the election, and who, moreover, is duly registered as a qualified voter as provided in this article, and shall be entitled to vote in the ward or election district in which he resides, at all elections hereafter to be held in this State, and in case any county or city shall be so divided as to form portions of different electoral districts for the election of Representatives in Congress, Senators, Delegates or other officers, then, to entitle a person to vote for such officers, he must have been a resident of that part of the county or city which shall form a part of the electoral district in which he offers to vote for one year next preceding the election; but a person who shall have acquired a residence in such county or city entitling him to vote at any such election shall be entitled to vote in the election district from which he removed until he shall have acquired a residence in the part of the county or city to which he has removed.

Every male citizen of the United States having the above prescribed qualifications of age and residence shall be entitled to be registered so as to become a qualified voter if he be:

First.—A person who, on the first day of January in the year eighteen hundred and sixty-nine, or prior thereto, was entitled to vote under the laws of this State, or of any other State of the United States, wherein he then resided; or

Second.—A male descendant of such last mentioned person; or

Third.—A foreign-born citizen of the United States, naturalized between the first day of January in the year eighteen hundred and sixty-nine and the date of the adoption of this section of this article; or

Fourth.—A male descendant of such last mentioned person; or

Fifth.—A person who, in the presence of the officers or registration, shall, in his own hand-writing, with pen and ink, without any aid, suggestion, or memorandum whatsoever, and without any question or direction addressed to him by any of the officers of registration, make application to register, correctly stating in such application his name, age, date and place of birth, residence and occupation at the time and for the two years next preceding; the name or names of his employer or employers, if any, at the time and for the next two years preceding, and whether he has previously voted, and if so, the State, county or city, and district or precinct in which he voted last, and also the name in full of the President of the United States, of one of the Justices of the Supreme Court of the United States, of the Governor of Maryland, of one of the Judges of the Court of Appeals of Maryland and of the Mayor of Baltimore City, if the applicant resides in Baltimore City, or of one of the County Commissioners of the county in which the applicant resides; and any person who is unable to comply with the foregoing requirements as to making application for registration in his own hand-writing, solely because he is physically disabled from so doing; or

Sixth.—A person, or the husband of a person, who, at the time of his application for registration, is the bona fide owner of real or personal property in an amount of not less than five hundred dollars, is assessed thereon in the tax books of the City of Baltimore, or of one of the counties of this State, has been such owner and so assessed for two years next preceding his application for registration, shall have paid, and shall produce receipts for, the taxes on said property for said two years, and shall at the time of his application make affidavit before the officers of registration that he is, or that he is the husband of the person who is, the bona fide owner of the property so assessed to him or to her, as the case may be, and that he or she has been the owner for two years next preceding his application.

No person not qualified under some one of the above clauses shall be entitled to be registered as a qualified voter or be entitled to vote.

Every written application to be registered, presented to the officers of registration by any person applying to be registered under the above fifth clause, shall be carefully preserved by said officers of registration and shall be produced in any Court, if required, as hereinbefore provided.

The affidavit of any applicant for registration, duly made to the officers of registration or in Court, that he, the applicant, is a person who was entitled to vote on or before the first day of January in the year eighteen hundred and sixty-nine, as aforesaid, or that he has become a naturalized citizen of the United States between the first day of January in the year eighteen hundred and sixty-nine and the date of the adoption of this section of this article, as aforesaid, or his affidavit upon information and belief that he is a descendant of a person who was entitled to vote on or before the first day of January in the year eighteen hundred and sixty-nine, or that he is a descendant of a person who has become a naturalized citizen of the United States between the first day of January in the year eighteen hundred and sixty-nine and the date of the adoption of this section of this article, shall be prima facie evidence of any of said facts so sworn to.

A willfully false statement upon the part of any applicant for registration in relation to any of the matters aforesaid shall be perjury, and punishable as perjury is punished by the laws of this State.

Any person who feels aggrieved by the action of any board of officers of registration in refusing to register him as a qualified voter, or in registering any disqualified person, may at any time, either before or after the last session of the board of officers of registration, but not later than the Tuesday next preceding the election, file a petition, verified by affidavit, in the Circuit Court for the county in which the cause of complaint arises, or, if the cause of complaint arises in Baltimore City, in any court of common-law jurisdiction in said city, setting forth the grounds of his application and asking to have the action of the board of officers of registration corrected.

The court shall forthwith set the petition for hearing and direct summons to be issued requiring the board of officers of registration complained against in said petition to attend at the hearing in person or



by counsel, and where the object of the petition is to strike off the name of any person, summons shall also be issued for such person, which shall be served by the Sheriff within the time therein designated; and said several courts shall have full jurisdiction and power to review the action of any board of officers of registration and to grant or withhold, as it may seem lawful and proper, the relief prayed for in the premises.

### THE JIM-CROW CAR.

#### **How the Democratic Legislators of the South Endeavor to Degrade and Humiliate the Afro-American.**

In their efforts to degrade and humiliate the race, the Democratic legislators of every Southern State have provided a system of "jim-crow" cars for Afro-Americans.

The laws say that the accommodations "shall be equal, but separate." As a matter of fact, they are seldom equal and usually very inferior, especially on the smaller lines, where wornout cars, which are generally in a filthy condition, are used for Afro-Americans.

On the larger roads better cars are used, but the "jimcrow" car is generally placed next to the locomotive, where the occupants get the full benefit of the dust and smoke.

Several States have enacted laws forbidding sleeping car companies to sell berths to Afro-Americans.

These laws were not passed for the reason that Southern Democrats are anxious to avoid close proximity to Afro-Americans, for servants are allowed under the law to ride in the same car with the whites. The idea, which is to humiliate the race, is clearly expressed by H. D. Wilson, a Southern Democrat, member of the Louisiana Legislature and author of the Louisiana jim-crow car law, who said:

"It is not only the desire to separate the whites and blacks on the railroad for the comfort it will provide, but also for the moral effect. The separation of the races is one of benefit, but the demonstration of the superiority of the white man over the negro is a greater thing. There is nothing which shows it more conclusively than the compelling of negroes to ride in cars marked for their especial use."

Recently a number of Afro-American bishops, ministers, doctors, lawyers, and other prominent men visited the White House and called the attention of President Roosevelt to the condition of affairs on the Southern railroads, and he at once directed the Interstate Commerce Commission to institute proceedings against the roads and compel them to furnish equal accommodations.

#### **Afro-Americans in Government Service.**

In a number of speeches William J. Bryan has said:

"The Afro-American has bestowed presidencies upon the Republican party and received janitorships in return."

The statement is absolutely false. The Afro-American has received more recognition under the Roosevelt Administration than ever before in the history of this country. That the places have not been confined to janitorships will be seen by the following list showing the official positions and occupations of Afro-Americans in the service of the United States Government:

Auditor of the Navy Department, assistant district attorneys, assistant librarians, architects, assistant postmasters, assistant weighers, attorneys, bookbinders, bookkeepers, boatmen, collectors of customs, collectors of internal revenue, consuls, chiefs of division, compositors, chaplains, custodians, cleaners, caster helpers, clerks, counters, charwomen, carriage drivers, deputy collectors of customs, deputy collectors of internal revenue, deputy United States marshals, domestics and waiters, draughtsmen, envoy extraordinary and minister plenipotentiary, examiners of merchandise, engineers, elevator conductors, folders, farmers, firemen, floor hands, gaugers, guards, heads of departments, helpers, inspectors of customs, immigrant inspectors, imposers, janitors, letter carriers, laboratory assistant laborers, minister resident and consul general, musicians, messengers, messenger boys, machine operators, monotype keyboard operators, mimeograph operators, openers and packers, postmasters, patent examiners, pressmen, press feeders, pay clerks, private secretaries, receivers of public monies, register of treasury, registers of land offices, recorder of deeds, railway postal clerks, rural delivery carriers, surveyor-general, superintendents of construction, sam-

plers, shippers, stenographers and typewriters, storekeepers, skilled laborers, sewers, stablemen, teachers, translators, time-keepers, wagon messengers, watchmen, wrappers, wagon drivers.

The highest salary paid an Afro-American is received by the Envoy Extraordinary and Minister Plenipotentiary of the United States to Haiti, whose salary is \$10,000 per annum. A number of government officials receive from \$2,500 to \$5,000 per year. Clerks are paid from \$900 to \$1,800.

The number of Afro-Americans in the service of the Government, exclusive of the Army and Navy, has more than doubled in the last four years of the Roosevelt Administration, and aggregate pay has increased from \$3,000,000 in 1904 to \$8,000,000 in 1908.

One of the most important offices in the Treasury Department, that of the Register of the Treasury, has been continuously filled by colored men, under Republican appointment, during more than a quarter of a century, while under Democratic administrations during that time no Negro was considered worthy to occupy that position. The importance of this office is indicated by the fact that the signature of the Register as well as that of the Treasurer of the United States is attached to all paper currency issued by the Government, and the signature of a colored man has thus been one of the two names attached to every piece of paper money issued under Republican administrations since 1881, when Blanche K. Bruce was appointed Register of the Treasury; while under Democratic administrations names of white Democrats were substituted when Rosecrans and Tillman, respectively, were appointed to that position.

The following table shows the number of Afro-American employees in the service of the Federal Government:

*Afro-American officers, clerks, and other employees in the service of the United States Government, 1908.*

	No.	Salaries.
Diplomatic and consular service.....	11	\$35,000
Departmental Service, Washington, D. C.:		
State.....	19	14,200
Treasury.....	689	470,201
War.....	146	103,812
Navy.....	47	35,736
Post Office.....	176	106,468
Interior.....	405	237,775
Justice.....	22	14,300
Agriculture.....	120	63,924
Commerce and Labor.....	119	17,040
Government Printing Office.....	552	376,180
Interstate Commerce Commission.....	81	15,440
United States Capitol.....	185	126,420
Washington, D. C., City Post Office.....	190	150,240
District of Columbia Government, including unskilled laborers.....	2,798	1,252,588
Departmental Service at large:		
Customs and Internal Revenue.....	585	492,181
Post Office.....	2,958	2,293,421
Interior.....	23	26,226
Commerce and Labor.....	66	44,002
United States Army, officers.....	11	29,285
United States Army, enlisted men.....	2,890	901,083
Miscellaneous, including unclassified.....	1,935	1,161,250
<b>Total.....</b>	<b>13,978</b>	<b>\$8,032,355</b>
Recapitulation by localities:		
Foreign stations.....	11	\$35,500
Washington, D. C.....	5,499	3,044,404
Chicago, Ill.....	529	431,704
Indianapolis, Ind.....	35	25,910
New Orleans, La.....	244	231,162
Boston, Mass.....	79	67,480
Mobile, Ala.....	50	43,700
Detroit, Mich.....	31	25,210
Baltimore, Md.....	70	49,085
Brooklyn, N. Y.....	23	18,100
Richmond, Va.....	75	62,800
Cleveland, Ohio.....	30	25,300
Denver, Colo.....	17	15,200
At miscellaneous points.....	7,325	2,956,690
<b>Total.....</b>	<b>13,978</b>	<b>\$8,032,355</b>



**"We Deny the Negro the Right to Vote and Hold Office, but Have Never Denied Him the Right to Work."**

[Extract from remarks of Hon. THOMAS SPIGHT of Mississippi, in daily Congressional Record, March 16, 1904.]

What is called the "negro problem" has become a question of national interest, and demands attention, wherever, North and South, the negro appears in any considerable numbers. *Practically all of the Southern States, in which the negro forms such a percentage of the population as to make him a political factor to be reckoned with, have by constitutional provision deprived him of his power for harm in the administration of our domestic affairs, and we have done it because it was absolutely necessary to protect our people from financial ruin and to preserve our civilization. For a time we were compelled to employ methods that were extremely distasteful and very demoralizing, but now we are accomplishing the same and even better results by strictly constitutional and legal procedure. For more than ten years the negroes of Mississippi have understood that they were not to be allowed to participate in State or county governments, and as a result we have had but little trouble with them, and they have been better satisfied and more prosperous than at any time since their emancipation. We recognize that the negro is a producer of wealth, especially in our cotton fields, and this fact, coupled with the naturally kind feelings entertained for him by the white people with whom he has lived all his life, gives him an opportunity for honest, productive labor not enjoyed by his race anywhere else. We deny him the right to vote, under certain conditions, and to hold office, but have never denied him the right to work for an honest living.*

**"We Stuffed Ballot Boxes, We Shot Them, We are Not Ashamed of It."**

[Extract from remarks of Hon. BENJAMIN R. TILLMAN of South Carolina, in daily Congressional Record, February 26, 1900.]

I will tell you, while I am talking about negro suffrage, why they are so dangerous as voters. In any State where the whites divide—and they have divided in every Southern State except mine and Mississippi—into Populists and Democrats, the negro has been the balance of power, through which one side or the other has controlled the elections by means of bribery, for the negro vote was a purchasable one. Therefore we have been confronted by the condition of a large, ignorant, debased vote, thrust upon us by the fourteenth and fifteenth amendments. \* \* Yet you stood up here and insisted that we must give these people a "free vote and a fair count." They had it for eight years, as long as the bayonets stood there, and in 1876 they sent more bayonets, because we had got the devil in us by that time and we did not care whether we had any government. We preferred to have a United States Army officer rather than a government of carpet-baggers and thieves and scallywags and scoundrels, who had stolen everything in sight and had mortgaged posterity; who had run their felonious paws into the pockets of posterity by issuing bonds. *When that happened, we took the government away. We stuffed the ballot boxes. We shot them. We are not ashamed of it. With that system—force, tissue ballots, etc.—we got tired ourselves. So we had a constitutional convention, and we eliminated, as I said, all of the colored people whom we could under the fourteenth and fifteenth amendments.*

**"A Horde of Beings who Have Forgotten the God that Made Them."**

[Extract from speech of Hon. ADAM M. BYRD of Mississippi, in daily Congressional Record, 60th Congress, 1st Session, January 24, 1908.]

Mr. Chairman, above all things, we are going to stand by our franchise laws, though every negro should leave that section. \* \* There are fewer colored people in Mississippi to-day than ten years ago, and the State is being blessed by their departure. The honest white laborers are largely doing our farm work. They subscribe to all the virtues of an enlightened civilization.



They believe in the education of their children—in schools, in homes, in churches, in society, in Christianity, in God, and in their country—and I for one will never vote to compel them to labor in competition with a being or horde of beings who have forgotten the God that made them, who never knew an obligation to society, who are void of patriotism, who believe in rearing their offspring in ignorance and vice, and who can live on less than one-half it takes to bring comfort to the home of the average white farmer.

**"No Salvation for the South Short of the Repeal of the Constitutional Amendments.**

[Extract from remarks of Hon. JAMES M. GRIGGS of Georgia, in daily Congressional Record, April 21, 1903.]

There is not a white man in any of the so-called negro States who would not gladly see the repeal of the constitutional amendments making the negro a citizen and a voter. While this is true, there is a disposition in some quarters of the South to laugh at the efforts of earnest, patriotic men in this direction. There is no complete salvation for the South outside of this one thing. Many gentlemen say it is impossible. The same gentlemen would very probably have said ten years ago that present conditions and feelings of the people North and South on the social side of this question were impossible. This is absolutely necessary to our final salvation. Everything else is a miserable makeshift, only to tide us over to the time when public opinion everywhere will approve of the repeal of these amendments and the correction of these terrible mistakes. A union half white and half black can live no more than a union "half slave and half free." Separation of the races would be best for white and black alike; but it seems that neither race is yet ready for that. The time will be, however, in the years to come when the manhood of the country, North and South, white and black alike, will demand it. Separation will not come in our generation, but many of us here to-day will live to see the repeal of these amendments. Separation will follow disfranchisement, as the night the day.

**"This is the Country of the White Man, Not the Home of the Mongrel."**

[Extract from remarks of Hon. FRANK CLARK, of Florida, in daily Congressional Record, May 11, 1903.]

Having had the experience of a lifetime with them, I express it as my deliberate judgment that it is better to keep them separate—better for them, better for their race, better for everybody; and this system is working well in the State of Florida, in our larger cities, where we have street cars, and upon our steam railroads all over the State. There never has been any confusion or trouble on account of the separation of the races on public conveyances. Before the adoption of that system there was a great deal of trouble. I admit that at times it was caused by the white man. I am not holding him up as entirely blameless. This class of white man is not peculiar to any section of our country. I have seen him in the North, in the East, in the West, and in the South. I have seen a lot of white people of that sort, and when one of this class gets a drink or two inside of him, and he gets himself inside of a street car, there is generally trouble. If you desire to reduce the chances of trouble to the minimum and subserve the best interests of all the people, you had better keep the races apart in all public conveyances. Imagine a nice, new passenger coach, packed with dirty, greasy, filthy negroes, down South, in midsummer, and you can readily understand why that car does not long remain as good, as clean, and as desirable as a similar car occupied exclusively by white travelers. \* \* \* The gentleman from New York [Mr. DRISCOLL] says that we have been allowed to have our own way down South with this question for so long that we have grown "bold" enough to come on the floor of this House and make demands for this kind of legislation. The gentleman uses the word "bold" as though he thought we did not have the right to come here and make demands. We do demand, and we have the right to de-

mand. This is our country, as it was the country of our fathers. The country of the white man, not the home of the mongrel. It will always be the white man's country. If the black man and the yellow man each desire to remain with us, occupying the sphere in life for which God Almighty intended each, let them do so. If not content with that let them go elsewhere.

**"The Intelligent Negro Does Not Worship False Gods."**

[Extracts from remarks of Hon. EDWARD S. TAYLOR, Jr. (Republican), in daily Congressional Record, May 27, 1908.]

With defeat staring it in the face, without a real and virile issue except those embodied in the "Peerless One," Democracy is preparing for the conflict in expectation of winning with the votes of negroes in the North and without the votes of negroes in the South. And this delusion, Mr. Speaker, is the crowning climax of political clowning. The negro, disfranchised in the South by the Democratic party, is expected to swing Republican States of the North into the power of his oppressors. From the days of its birth this party has not only halted its boasted Democracy at the color line, but bragged about it.

The intelligent negro of the North does not worship false gods. He is thoroughly familiar with the unfortunate condition of the colored man in the South. He knows that at heart the leaders of the Democratic party do not wish his association in politics, but only hope to use him and to disgruntle him against the Republican party in order that they may, without benefit to him, be elevated into power. It does not need the declaration of the gentleman from Illinois [Mr. RAINEY] that the Democratic party is a "white man's party" to convince them that their interests and future welfare lie in the hands of the Republican party and its patriotic electors.

Who is this citizen whom Mr. RAINEY and his colleagues find so obnoxious who is not permitted to vote in the South? Can they not for a moment cease in hunting isolated cases where criminal negroes have committed grave outrages and look to the broad development of the negro as a race? What has he done to earn his citizenship?

Education for the negro began with the emancipation proclamation. The illiteracy of the whole race, which may be admitted to have been total at emancipation, has been reduced to 44.5 per cent when the last census was taken. In the ten years from 1890 to 1900 it had been reduced from 57.1 per cent to 44.5 per cent. Italy to-day has 38 per cent of illiteracy; Spain, 68 per cent, and Portugal, 79.2 per cent. These are white countries with centuries of civilization behind them. There are 40,000 negro students in higher institutions of learning, pursuing all branches from trade to classical and scientific courses. Forty thousand colored youth have graduated from secondary institutions of learning, and 4,000 from colleges. The race has developed 30,000 teachers, more than 16,000 clergymen, 4,000 musicians, more than 2,000 actors and showmen, more than 1,700 physicians and surgeons, about 1,000 lawyers, 300 journalists, 250 dentists, 236 artists and art teachers, 100 literary persons, 120 civil engineers and surveyors, 82 bankers and brokers, and 52 architects. It has about 200 institutions for higher education in the United States. In 1904 it owned property amounting to \$1,100,000,000. In 1900 the farm property belonging to negroes was valued at \$200,000,000, almost \$300 for each negro family. It operates 746,715 farms and owns 187,797 farms, or 25 per cent of the total. It rents 557,174 farms, or 74.6 per cent of the total. This is not a bad showing for a race which gentlemen of the minority have declared unfit to exercise its citizenship, and which they claim to be a purchasable quantity when it comes to exercise its suffrage.

**Mr. Bryan's "Commoner" on the Race Question at the South.**

[From the "Commoner," December 3, 1904.]

If the race question presented itself to the North as it does to the South, it is not likely that it would be met in a different spirit or in a different way, and if the race question were a Northern question rather than a Southern one, the people of it



South would be as indifferent to it as the people of the North are. There is no disposition in the North to interfere with the manner in which the problem is now being worked out by the South. Once in a while the question is raised, but it is usually for political purposes. It is not likely that any serious attempt will be made to secure national legislation on the subject. If such an attempt is made it should be made with logic and with light, not with the calling of names and with heat.

[From the "Commoner," November 1, 1901.]

But when conditions force the two races to live under the same government in the same country, the more advanced race never has consented, and probably never will consent, to be dominated by the less advanced. Whether the conditions in the South are such as to justify the amendments which have been adopted is a question of fact which must be decided upon evidence—not a question of theory which can be settled by those far removed from the conditions which have to be considered.

[From West Virginia Democratic Platform of 1908.]

#### Jim Crow Plank.

We favor the enactment of a law requiring common carriers engaged in passenger traffic to furnish separate coaches or compartments for white and colored passengers.

#### Elective Franchise Plank.

Believing that the extension of the elective franchise to a race inferior in intelligence and without preparation for the wise and prudent exercise of a privilege so vital to the maintenance of good government was a mistake, if not a crime, committed by the Republican party, during the reign of passion and prejudice following the Civil War, for political ends and purposes, we declare that the Democratic party is in favor of so amending the Constitution as to preserve the purity of the ballot, and the electorate of the state from the evil results from conferring such power and privilege upon those who are unfitted to appreciate its importance, as it affects the stability and preservation of good government.

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Plans have been suggested for the migration of the negroes to some other country, where they would live by themselves and grow up by themselves, and have a society by themselves, and create a nation by themselves. Such a suggestion is chimerical. The negro has no desire to go, and the people of the South would seriously object to his going.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

What the negro and his friends demand is equality of enforcement of the law under the Constitution, and toward that end I feel convinced that all the influence of industrial progress in the South and the closer union between the sections necessarily are making.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

In the history of all the peoples of the earth, there is no more uniform story of absolute fidelity to trust than that which was exhibited by the negroes of the South toward the families of their masters, when the men were gone to the war, and none but the women and children were left at home.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

I am a protectionist because I can see very clearly that the political independence which every patriot would sacrifice his life to preserve to his country can only be safely assured when we are industrially independent, and I am glad, if it requires that lesser sacrifice, to forego a few pennies of my savings to do my part to secure that assurance.—Prof. R. H. Thurston, of Cornell University, in the *American Economist*.

**One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.**—*New York World*.

## GUARANTEE OF BANK DEPOSITS.

The Democratic platform of 1908 pledges the party to legislation under which the national banks shall be required to establish a guarantee fund for the prompt payment of depositors of any insolvent national bank, and making the system available to all other banks desiring to join in such plan. The plank, which is heralded in Mr. Bryan's "Commoner" as being based upon a bill introduced in Congress by Mr. Bryan when a member of that body, is as follows:

"We pledge ourselves to legislation under which the national banks shall be required to establish a guarantee fund for the prompt payment of the depositors of any insolvent national bank, under an equitable system which shall be available to all State banking institutions wishing to use it. We favor a postal savings bank if the guaranteed bank cannot be secured."

### Mr. Taft's Response.

No feature of the Democratic platform met a more vigorous and scathing denunciation at the hands of Mr. Taft in his speech of acceptance than did this proposition, which he declared, if adopted exactly as the platform suggests, would "bring the whole banking system of the country down in ruin." His discussion of the proposition on that occasion was as follows:

"The Democratic platform recommends a tax upon national banks and upon such State banks as may come in, in the nature of enforced insurance, to raise a guaranty fund to pay the depositors of any bank which fails. How State banks can be included in such a scheme under the Constitution is left in the twilight zone of State's rights and federalism so frequently dimming the meaning and purpose of the promises of the platform. If they come in under such a system, they must necessarily be brought within the closest national control, and so they must really cease to be State banks and become national banks. The proposition is to tax the honest and prudent banker to make up for the dishonesty and imprudence of others. No one can foresee the burden which under this system would be imposed upon the sound and conservative bankers of the country by this obligation to make good the losses caused by the reckless, speculative and dishonest men who would be enabled to secure deposits under such a system on the faith of the proposed insurance; as in its present shape the proposal would remove all safeguards against recklessness in banking, and the chief, and in the end probably the only, benefit would accrue to the speculator, who would be delighted to enter the banking business when it was certain that he could enjoy any profit that would accrue, while the risk would have to be assumed by his honest and hard-working fellow. In short, the proposal is wholly impracticable unless it is to be accompanied by a complete revolution in our banking system, with a supervision so close as practically to create a government bank. If the proposal were adopted exactly as the Democratic platform suggests it would bring the whole banking system of the country down in ruin, and this proposal is itself an excellent illustration of the fitness for national control of a party which will commit itself to a scheme of this nature without the slightest sense of responsibility for the practical operation of the law proposed. The Democratic party announces its adhesion to this plan, and only recommends the tried system of postal savings banks as an alternative if the new experimental panacea is not available."

### How the Plan Would Work Out in Practice.

The proposition to tax banks to secure deposits is a financial chimera like that talked in 1896, when it was solemnly held by a great party that the price of wheat was governed by the volume of currency, and also that the price of silver governed the price of grain, fallacies which even the dozen years since that time have so ruthlessly exposed that the Democratic platforms of 1904 and 1908 have been silent on the subject.

What is the usual inducement to establish a bank? It is the need of banking facilities in the community, and the belief that, if properly conducted, it will be profitable to its proprietors and beneficial to the community. The bank, to pay, must add to its profits by loaning its deposits, as well as the money originally invested by its shareholders.

### Interest Deposits are one Form of Investment.

The inducements for making deposits are various. Some deposit simply for the safe-keeping of their money to be used for domestic purposes or for limited business. These depositors are



of but little advantage to the bank and expect but little. Their deposit is called an inactive account. Others make deposits with an agreement that they shall receive a specified rate of interest thereon—either time deposits at 3% or 4%, or on daily balances 2%.

The depositor who by making these deposits loans his money to the bank on time in fact invests his funds in the bank at, say, 3% per annum. He deems this better than other investments, because he is not subject to fluctuation in prices as he would be did he purchase securities in the market. He has prospect of quite as good a return, and is reasonably sure of having his money back without loss at maturity. To guarantee this class of depositors, as proposed by the Democratic platform, the bank would be obliged to tax itself, not only to pay an interest on his deposits, but to insure his investment, which is a dual capacity and responsibility that no wise business man would deem either conservative or safe.

The persons or firms who make the largest deposits are those who deposit for business purposes. They naturally expect reciprocal benefit in the way of loans on their notes or on security acceptable to the bank. It may be, and it usually is, that such a depositor has his credit greatly increased by the addition to his bank account of the proceeds of these discounted notes. His balance is not represented so much by monetary deposits as by this credit which the bank has extended him. Why, then, should the shareholders of a bank be compelled to tax themselves to guarantee a *credit deposit* that they have extended to the customer of the bank. A man investing his funds in a corporation does not expect that the purchase price paid for its securities will be guaranteed to him by the corporation. He takes the chances of loss or gain. Why should there be a difference in the business principle that governs a bank and that governing any other business corporation? This would be class legislation of a demoralizing type. The proposition to guarantee deposits is confined to *commercial banks* or banks of discount and deposit. Savings banks are not included therein. Why should this exception be made?

#### Why not Guarantee Other Forms of Savings Investment?

It is important to have in mind that the larger portion of the people keep no commercial bank account. Their savings, which they depend on in cases of misfortune or death, are invested in life insurance companies, annuities, mutual benefit associations, savings banks, etc. If the public welfare is to be considered fairly, why should not the Government guarantee investments in these enterprises, as well as investments in banks made mainly for selfish purposes, accommodation or gain? Why should a bank that performs the function of distributing credits and currency assets of a country be any more safely guarded than enterprises patronized by the poorer class of people?

Among the various kinds of business, the greatest earning power of the people comes from agriculture, railroad and steamboat transportation, manufacturing and mining. These enterprises are owned by a great number of people as shareholders, and large numbers of persons are given employment by them. If protection is to be given to the banking interests and insurance against loss to preserve confidence, why should not some share of protection be afforded to agricultural interests that banking accommodations be had whereby in times of panic they need not be obliged to sell their products at ruinous prices? Why should not shareholders in railroad and steamboat transportation companies, involving the investment of billions of dollars, be safeguarded by protective legislation? Why should the manufacturer be obliged to shut down his business and throw thousands of people out of employment? This affects (in a calamitous way) more homes than would be affected by loss on deposits.

Mr. Bryan claims that his aim is to protect the masses. His argument for the guarantee of bank deposits would affect a class—and, as a rule, the richer class, for not many laborers have even the spare money to keep an active bank account.



**Bank Notes vs. Bank Deposits.**

The argument is frequently made that the man who holds national bank notes is secured by a guarantee of the Government, because it requires that bonds be deposited with the Treasury Department before the bank notes may be issued. Why, it is asked, should there be favoritism? It must be remembered, however, that the relation of the depositor to his bank is far more intimate than of the billholder to the bank issuing the bills which he receives, since the billholders are scattered widely over the continent, perhaps over the commercial world. The billholders are obliged to receive bank notes issued by banks distant from their places of residence, and of which they can know nothing, since this class of currency constitutes a great part of the money, whereby they can carry on business transactions; and the acceptance of that medium is in a way compulsory. They have but little means of knowing the resources of a bank, the manner in which its business is managed, while the depositor is in close touch. It by no means follows that because of this system in behalf of the bank note holder the Government should also guarantee the depositor. The relations of the two classes of men are vastly different. The officials of the banks and the depositors come together in mutual interest, but it is a different interest from that of the bill-holder, which is only transitory and sometimes a momentary interest. It was the great scheme of Secretary Chase to protect the bill-holders who were unfavorably placed to protect themselves.

**The Experiment has been Tried and the Result was Disastrous.**

We are not entirely without experience in the matter of guaranteeing bank deposits. The experiment was tried in the State of New York in 1829, during Governor Van Buren's administration, under the act known as the Safety Fund System.

This law grew out of remarkable conditions in the banking experience of the State. Governor Van Buren, in his message of that year, called attention to the fact that the charter of 31 of the 40 incorporated banks, among them eight large New York city banks, would expire within four years.

There had been a great monopoly in banking and the control of it had been maintained largely through influence exerted in political affairs. The banks were opposed to any new legal restrictions on their former freedom to issue unlimited quantities of bank notes or increase their reserve of specie. The public insisted on the legal control of bank note issues, by requiring all note issues to be registered at the Comptroller's office, and that a stricter regulation and a larger reserve of specie be maintained. Public excitement ran high. The banks took an open hand in electing assemblymen favorable to their interests, and also joined forces with promoters of internal improvements to secure from their friends sufficient votes to insure the renewal of their charters without burdensome conditions. It is said that on the part of the banks, a reciprocal return was to be made by assisting the promoters of internal improvements, in financing some of their enterprises, provided the vote was successful.

The new constitution of 1821 required a two-thirds vote in the legislature to secure incorporation of new banks or renewal of charters of the existing banks. When a vote was taken on the question, the bankers' combination, to their great amazement, were defeated by only one or two votes. This defeat paved the way for a new banking system.

Governor Van Buren had outlined in his message his plan, known as the Safety Fund Law. It was suggested to him and worked out by Judge Joshua Forman, of Syracuse, N. Y. Its provisions were mainly designed to insure protection to the billholders and check the spirit of reckless banking speculation in wildcat enterprises. Among its provisions was that a tax of  $\frac{1}{2}$  to 1% be levied annually on the capital stock paid in until 3% of the bank's capital had been collected. This sum was to be deposited with the Comptroller and invested and laid aside to protect the bill-holders of failed or liquidating banks.

One of the great defects in the system was that the fund was not to be used until the assets of the failed bank had been exhausted and the deficiency determined by winding up the bank's affairs. This defect in the law was made apparent to the legislature on the failure of five banks, three of which were in the city of Buffalo, and in order to prevent depreciation and loss to the bill-holder, an amendment was made to the law, in 1837, authorizing the Comptroller to pay immediately the notes of the failed bank whenever the liabilities of the bank did not exceed two-thirds of the amount of the safety fund.

There were no more failures until 1840 to 1842, at which time there were 90 banks in operation under the safety system and 12 outside. The failure in this period of 11 banks greatly reduced the money in the safety fund. A test case was made in 1840, by the Wayne County Bank, of Palmyra, N. Y. The court construed this law to mean liability to the depositor as well as to the bill-holder. This feature of the law was not generally understood by the public or the banks, and came as a great shock. As soon as the decision became known that depositors, as well as bill-holders, were protected by the safety fund, a reckless spirit of investing in bank stocks seemed to prevail. A fictitious credit was thereby given to the banks, which was used by inexperienced, rash and dishonest men most injudiciously in contracting debts in wild speculative adventures. Through this bad management the safety fund, which at one time had accumulated to nearly two million dollars, became insolvent.

The decision to combine protection to the bill-holder and depositors was so vast and tremendous in its responsibilities that the public demanded the repeal of the law, in 1842, by confining the responsibility or the fund to bank notes alone.

Hon. Millard Fillmore, then State Comptroller, said:

"It is apparent that the safety fund system would have proved an ample indemnity to the bill-holder had it not been applied to the payment of other debts (depositors) than those due for circulation."

Since that time there has been no attempt on the part of advocates of the guaranty of bank deposits in New York to secure any enactment to provide for the insurance of bank deposits, and it was not until the passage of such a law recently in Oklahoma that this subject was again brought prominently before the public.

The free banking act of New York, passed in 1838, provided for the security of the bill-holder by the registration of all bank issues and a security of stock and bonds deposited with the Comptroller. On these bank notes, the fact that the holders were secured was printed on the face of the notes.

#### **Safety of Present System.**

It should be borne in mind that under the present National Banking System, during the past 42 years, the loss to depositors has not exceeded 1/26th of one per cent per annum.

In many of the bills introduced in the recent Congress providing for the guarantee of bank deposits, the argument was made that if deposits should be guaranteed, future panics would be prevented; and that was of such serious importance as to justify extraordinary legislation. It was claimed that the Government had the same right and power to compel national banks to submit to a tax to guarantee deposits as the Government had to tax banks for the circulation of its bank notes. They failed to observe that there is no principle in law that will justify the taxing of one person (the shareholder) for another (the depositor).

#### **No Such Plan Known to the Business World.**

Attention is being called just now to the financial systems of the whole world, but no case has been shown where the depositors in banks, outside of the usual liability of the stockholders, are guaranteed against the loss of their deposits. If we are trying to follow the successful experience of the world in finance, why not heed this object lesson?



[Prof. J. Laurence Laughlin, of the University of Chicago, in Scribner's, July, 1908.]

The existence of complicated monetary and banking problems, understood by only a few, furnishes the opportunity for professional politicians to bring forward measures which may appeal to the private interests of one class against another, but which show utter want of analysis and ignorance of fundamental principles. \* \* \*

Of such a character was the "rag baby" of Greenback days, or the free coinage of silver of more recent memory; and the last member to be added to this motly collection is the guaranty of bank deposits. Its appearance at this moment, soon after a financial crisis, follows the usual sequence of freak schemes in the wake of a business disturbance.\* \* Superficial thinking as to panics, and little understanding of the actual operation of banks, have provided a soil in which the proposal for a guaranty of bank deposits may take quick root. \* \* \*

The purpose of the scheme is to distribute the losses to depositors arising from bank failures among a large number of banks, instead of allowing them to fall on the innocent depositors who are not responsible for them. To this end it is proposed to levy a tax on the bankers to create a fund which, in charge of the National Treasury, shall be used to pay off at once the claims of depositors in insolvent banks. Some advocate the guaranty of the Government, others lay the whole burden on the banks, aided, perhaps, by an initial grant from the Government. \* \*

In proposing to guarantee depositors in general, there is an obvious lack of discrimination in failing to distinguish between deposits in savings banks, whose assets must necessarily be of an investment character, and depositors engaged in active business, who keep checking accounts at commercial banks, which must always keep assets in cash sufficient to meet normal demand requirements. \* \* \* \* \* The protection for depositors in savings banks (or small private banks) is a wholly different problem from one dealing with commercial banks. It is for this first class that Government postal banks are suggested as offering absolute safety. \* \*

The real question, therefore, has to do with commercial banks, such as our national banks, and some of those created by the States; for the trust companies and State banks, while carrying on savings departments, actively strive for the business of commercial banks, and cannot by any means be ignored.

\* \* \* \* \* Because the national banks issue notes, the insurance of these notes by a guaranty fund, providing for their immediate redemption, has been generally admitted as desirable and feasible; although their ultimate redemption is secured by a first lien on assets by the deposit of bonds. If, then, the insurance of the note-holder is regarded as necessary, why not extend the same idea to the depositors? There is, however, a wide difference in the position of a note-holder and the depositor. When a demand liability of a bank, in the form of a note, comes to be used as money, and is passed from hand to hand by buyers and sellers who have no knowledge whatever of the standing of the issuing bank, it must have universal acceptability. \* \*

\* \* \* It is quite otherwise with the deposit. While the note performs a general and social function, the deposit arises solely from a personal and voluntary act. \* \* \* \* \* The depositor selects his own bank and takes the risks implied in a voluntary choice, thus becoming responsible for his act, just as any one does when he gives credit to a buyer or lets a house. Consequently, the reasons for a guaranty of the notes are obvious; while they would have no application to the guaranty of deposits. \* \* \*

A depositor is, of course, a creditor of a bank; that is, the relation of a depositor to a bank is only one of many other relations existing between creditor and debtor. Is there anything peculiar in the case of the depositor which sets him apart from all other creditors who have voluntarily entered into a creditor relation, and which entitles him alone to protection against the consequences of his own acts? If one sort of creditor



should be insured against the usual mischances of business, why should we not insure all? Why discriminate in favor of him who is rich enough to have a bank deposit? A humble washer-woman who often has outstanding debts which she cannot collect ought to be insured against loss as well as a depositor; she has little means of knowing except by bitter experience, whom to trust. And the same might be said of the cobbler, the milkman, the grocer, the doctor, the merchant, or the large wholesale seller of drygoods, or of any other article; for which they have accounts against others for which they need the collection as well as the depositor in a bank—perhaps more. Why this sudden excess of interest in the creditors, when in the silver agitation every true patriot's heart was burning with zeal to help out the poor debtor? Has the politician exhausted the possibilities of sympathy in the debtor and wishes to try new pastures? Obviously, the proposal to insure depositors as an application of a general principle of insuring all creditors is childish, and has been born in the mind of a man who does not think of things beyond his own nose. \* \* \* \* \*

The honest and efficient banks cannot in justice be asked to make up to a depositor in a failed bank losses for which the honest and efficient banks had no responsibility whatever. It would be clearly unfair to hold a small conservatively managed country bank responsible for the "frenzied finance" of some large bank in a great city. All reason, all justice, demand that the punishment be inflicted on the doer of the wrong and not on the innocent neighbor. In fact, the ethical justification for taxing sound banks to cover the lapses of unsound banks has no existence whatever. It is unmoral. Moreover, it is a question whether the courts would enforce such a law against the rights of property.

More than that, it is not supported by any theory of political expediency but the socialistic. The advocates of insurance deplore the suggestion that it is socialistic, and are as much horrified by the mention of socialism as the devil is by the sight of the cross; and yet what does the analysis show? It is not necessary to explain to intelligent readers that socialism is not opposed to individualism; socialists look to the State to do for them what they admit they cannot do for themselves under a system of free competition. \* \* \* \* \*

The plan for insurance of deposits is urged by its advocates as one which will induce more careful banking, because contributors to the fund will be more vigilant in acting as policemen over other bankers, and stop illegitimate methods in their inception. On the other hand, its opponents claim that it will reduce the best-managed to the level of the worst-managed banks, and remove all premium on skill, honesty and ability. \* \* \*

To relieve the banker from the logical consequences of his own mistakes, of his own weaknesses, is to take away practically the only real safeguard effective on human nature in a business touching the trusts of countless financial interests. The result of such a guaranty would, in my opinion, tend to put a premium on the "popular" and "obliging" banker, as against the careful and judicious banker; to spread throughout the country the influence of men who care more for bigness than safety in their accounts; to build up credit unsupported by legitimate trade; and in the end would bring on financial convulsions proportional in disaster to the extent of the doubtful banking. Not only would it be unjust to ask the efficient to meet the losses of the inefficient, but it is poor policy to stimulate the inefficient to try to do that for which they are unfit. \* \* \*

Finally, the appeal to history gives the plan no authority. We have had experience with a guaranty of deposits in New York under the Safety Fund Act, April 2, 1829. The conditions of the country and the understanding of banking were such at that time that the lessons from that experiment cannot have very much value. Then, there was held only one reserve for both notes and deposits. Expansion of loans in those days meant, in the main, an expansion of notes. The safety fund was, therefore, a protection to both notes and deposits; but as

business was then largely done by notes, its service was much as would be rendered to-day by a guaranty of deposits. What, then, was the outcome? The fund was established by levying a tax of one-half of one per cent on the capital stock until a fund of 3 per cent was reached. After eight years the fund was tested by the crisis of 1837, when there were 90 banks in operation with a capital of \$32,200,000. All the banks suspended and the act itself was suspended for a year. Again, in 1840-1842, the system was put to test by eleven serious bank failures. Thereupon, in 1842, it was decreed that the fund should hereafter be used only for the redemption of the notes of failed banks. The experience of Vermont and Michigan is still less satisfactory.

[Hon. George E. Roberts, former Director of the Mint, before the Montana Bankers' Association Convention.]

The first objection to the guaranty of deposits is that it ignores the fundamental defect of our currency system, its rigidity. There is an actual need for more money to handle the business of the country in the fall of the year than in the other seasons, and the guaranty plan does not meet that demand. The advocates of the guaranty plan recognize no evil in the present situation, but the evil of the panic, when the fact is that the panic is simply the last stage of the disorder. A panic marks the stage where the system finally collapses, but there is a costly strain which precedes the collapse and which does not always come to collapse. A panic comes only once in ten or fifteen years, or twenty years, but the strain and cost of our inflexible currency system, the curtailment of credits, the enhanced interest charges, the inadequate facilities for handling the business of the country, the burden upon the producers of the country, these come every year, and the guarantee of deposits offers no remedy. Instead of seeking to strengthen the banking systems and provide the means by which the banks may meet all the calls upon them, whether those of panic or of legitimate business, this policy proposes that we continue to endure the annual evils of the most inadequate currency system in the world, and confine ourselves to an attempt to persuade depositors not to call for their money. Give the bankers of the United States an institution behind them like the Bank of France or the Bank of Germany, and they will meet all demands upon them whether prompted by panic or otherwise.

The second objection to the guaranty of deposits is that it eliminates character as a necessary factor in the banking business. Under present conditions the investments, the personal habits, general character, and abilities of the banker are a matter of public interest and constantly under the scrutiny of the community. After all allowance is made for occasional instances in which the public has been deceived, who can doubt that this alert and interested public opinion has a great influence in maintaining proper standards of banking practice? We cannot afford to do without that influence.

The conservative banker has some reward to-day in the preference which a discriminating public gives him. It is some protection against demoralizing competition. He can follow his own policy and be assured that at least a share of the public will appreciate his methods and support him. There are people who are not influenced in the selection of their bank by the highest rate of interest offered on deposits. A banker now prizes the reputation of doing a safe business, and cannot afford to have a reputation for imprudence or speculative tendencies. And yet, although held in check by these powerful considerations, the pressure of competition carries the business too near the danger line now. There is too much competition for deposits now, and the ambition of the more venturesome, and the pace they set, puts the whole system under strain.

But what are likely to be the conditions in the business when the public is no longer concerned about the management of a bank and all the rewards for conservatism and restraints upon recklessness are removed? Practically all the considerations which in the past have tended to safeguard the business and advance its standards would be gone. The public would care

nothing for the personality of the banker. The question relating to his fitness for the custody of money would become obsolete. The reckless and incompetent people who are now excluded from the banking business or held in check by the distrust which the public feels toward them, would make the pace to which everybody else would have to conform or get out of the business.

The hardest competitor in any line of business is the inexperienced or incompetent man who doesn't know whether he is making or losing money and whose only idea of building up his business is to offer a little greater inducements than his rival will give. In the banking business with deposits made a joint liability, it is difficult to see why they should not all go to the people who will bid the highest for them, a condition that would be unjust and intolerable to the class of men best qualified to handle the banking business of the country.

The argument for the guaranty of deposits is based on the ground of public policy. It is admitted that it may be injurious to the banker of experience and established character, but urged that their interests should be subordinated to the general good. But on broad grounds of public policy is it desirable to eliminate experience and established character as factors in the banking business? It cannot be advantageous to the community in the long run to have its accumulated savings and working capital pass into the hands of the venturesome class who will bid most for them. Such a system will break down eventually through its inherent weakness as a similar one did break down in the State of New York years ago. The fact that the first bank failure in Oklahoma since the law went into effect was followed by immediate reimbursement of the depositors at the expense of the other bankers of the State, proves nothing as to the practicability of the system in the long run. What will the influence of the system be upon the banking business and its standards? Will it tend to secure more careful and capable investment of the vast sums which the people of this country keep in banks, or will it tend to weaken the personal responsibility for these funds and divert them into incapable and wasteful hands? Instead of looking for security to the individual banker who received the deposit and invests it, the depositor will pay no attention to him, but rely upon an outside "fund." It is a superficial policy which neglects real safeguards and relies upon a false principle which is itself an element of peril.

[From address of Mr. Jno. B. Marony, President Montana Bankers' Association Convention.]

Among other remedies for the prevention of financial stringency and panic that has been widely proposed is the guaranteeing by the Federal Government of deposits in national banks, and the guaranteeing by the several States of deposits in State banks. Such a thing, in my opinion, is utterly impracticable and a dangerous experiment. Personally, I am opposed to paternalism in any government, and, in my judgment, this is paternalism in the extreme.

So much has been written pro and con upon this subject that it would be presumptuous on my part to inflict upon you my views thereon at any length, but if the Government is to guarantee deposits in banks, why not go into the insurance business in all of its aspects and ramifications? Why not guarantee that the grocer sells his sugar without sand, or that your house will not burn down, or that your crops will always prove bountiful?

If this guarantee and insurance business is to be carried out of its legitimate or illegitimate ends, following the guarantee of bank deposits, why not supplant Lloyds and take a bet on anything from a storm at sea to the clip of wool on a sheep's back. Will the Government or State say by such a law that one bank is as good as another, and that, as a result of the guarantee of deposits? Will they say that the plunger and reckless banker can establish a bank on one corner of the street, paying whatever interest on deposit he will, or in any manner he chooses stimulate and increase his deposits to the end that he may build up a big deposit account, and then loan money regardless, and that



the safe and conservative banker with his institution of many years standing, on the opposite corner, shall pay into the common pot of insurance to maintain the credit and make good on deposits drawn into the recklessly managed bank regardless of consequences. I say to you that such a law would run counter to the current of human nature. No law can successfully do that. No legislation can turn that current. Men are human, and bank managers are cast along different lines, with different views and different ideas of running their institutions.

The State of Oklahoma guarantees deposits in State institutions. I read an advertisement the other day that an Oklahoma bank with \$10,000 capital was advertising to pay four per cent on its deposits, and citing the State's guarantee for the security of these deposits. Why not this bank with its \$10,000 capital and its extraordinary inducement for deposits build up its deposit account to a million dollars or ten million dollars, and doing that, to live, must loan its money? Will any man argue that those loans will be safe or conservative? A notable article on this subject was recently written by Prof. J. Laurence Laughlin, a noted political economist of the University of Chicago. He maintains that "the ethical justification for taxing sound banks to cover the lapses of unsound banks has no existence whatever." It is immoral and illogical. "The deposits of a bank are as safe as the value of the assets in its loan item, no more, no less." It is idle, in my judgment, to discuss this matter to a convention of intelligent bankers, for I am sure that they are almost unanimously of the same opinion, and that is one of absolute opposition to any such theories.

[From address of Mr. H. V. Alward before the Montana Bankers' Association Convention.]

Two important plans affecting our financial system have been much discussed this year. One, the guaranteeing of bank deposits, will, I believe, be the subject of the address of this convention. In this connection, I only wish to quote a sentence from a recent able address, which you probably have all read, but which contains so much wisdom that it can not be too often repeated. It is as follows—speaking of deposit guarantee: "The unsound banks would actually take business away from the sound ones with specious promises, to which conservatively managed banks would not resort, and on reckless terms with which they would not compete; while to the extent of their contributions to the guaranty fund, the sound institutions would support the unsound in their recklessness, besides giving them a standing and credit which they could not otherwise obtain."

[From annual address of Pres. Kaufman, of Michigan Bankers' Association.]

Government insurance of deposits is a cordial invitation to those who wish to carry on dishonest banking to enter the business, and compels the honest and the skillful banker to bear the burden for the slovenly financier and the thief. If one of the latter class goes to the wall, under the insurance plan the bank that has spent years in careful and honest administration and built up a reputation, must devote part of its earnings to make good the losses of the get-rich-quick fiend after he has deliberately allowed his institution to collapse. The argument is used by friends of the insurance plan that the criminal law reaches this style of banker, and that, therefore, failures would be few and far between.

The criminal law will reach them if they do business under the general banking law of the State or under the national banking law, demonstrating there is no real necessity for insurance to protect depositors in well managed institutions, and the other kind should not exist.

Government insurance of deposits would mean a tax upon the people patronizing banks in order to protect the man who should have sense enough to protect himself. In other words, it would place a premium on incompetency of the depositor as well as the banker. This species of paternalism is, in my estimation, foreign to the spirit of our democracy, which protects every man in his rights, and leaves him to manage his own business as he



deems best. If the Government is to guarantee bank deposits, why not guarantee all kinds of credits and tax the retailers in all lines, so that the wholesalers who sell on sixty and ninety days' time can be sure of getting their money. One is just as logical as the other.

Under a Government guarantee, or any other guarantee of deposits, years of effort, initiative, character, judgment and sound integrity, methods of building up and maintaining a banking institution count for nothing in attracting depositors. The bank of sound creation and the mushroom institutions of yesterday are on the same level in the eyes of the depositor.

**The Oklahoma Guarantee Plan and the National Banks—  
Decision of the Attorney General and Comptroller of the  
Currency.**

The recent decisions of the Attorney General and Comptroller of the Currency as to the right of national banks to participate in the Oklahoma guarantee fund plan, are outlined in the following extracts therefrom: Certain of the national banks of Oklahoma had requested permission from the Comptroller of the Currency to participate in the Oklahoma guarantee system, but he declined to grant the permission, requesting an opinion from the Attorney General, who held that a national bank has no right to enter into a contract or other arrangement with State officials for the purpose of creating a guarantee fund out of the bank's deposits or capital stock to be used in paying the depositors of any bank included within the terms of a State statute any deficiency there may be in the amount to be received by them from assets of such bank in the event of its failure. The decision in part says:

The statute of Oklahoma to which you call my attention creates a State Banking Board, composed of certain designated State officers, and requires the said board to "levy against the capital stock an assessment of 1 per cent of the bank's daily average deposits," with certain deduction "upon each and every bank organized and existing under the laws of this State." This assessment is to constitute what is designated as a "depositor's guarantee fund," and additional assessments are to be levied against the capital stock of the banks, proportionately to the amount of their deposits, so as to always maintain the fund at the designated amount.

It is generally recognized that a national bank has no power to guarantee the obligations of a third party unless in connection with a sale or transfer of its own property, and as an incident to the banking business.

It has been argued that the bank in this case would not guarantee the obligations of other banks, but would only agree to put the State of Oklahoma, through its Banking Board, in funds to make effectual such a guarantee on its part. I think this is a distinction without a difference.

I have not overlooked the fact that by the terms of the proposed contract between the bank in question and the State or its Banking Board the said bank agrees to do nothing which shall be in conflict with the Federal laws, but this provision is not relevant, for the entire contract is ultra vires for a national bank, and prohibited by the necessary intendment of the statute. I hold that such is the fact with respect to the contract proposed in this case—that it is illegal for the officers of any national bank to enter into such an agreement as is contemplated by section 4 of the Oklahoma statute, and that persistent and willful action to this effect on the part of any such bank would be just cause for the forfeiture of its charter.

The opinion of Attorney General Bonaparte sustains the position taken by Comptroller Ridgely, and later by his successor, Comptroller Murray.

**Few National Banks Favoring the Oklahoma Plan.**

WASHINGTON, Aug. 26.—T. P. Kane, acting Comptroller of the Currency, makes the following statement:

"A statement is going the rounds of the press to the effect that a large number of the national banks in Oklahoma have notified the Comptroller of



the Currency of their intention to surrender their national charters and enter the State banking system, because of the opinion rendered by the attorney-general that they cannot lawfully avail themselves of the State guaranty law. This statement is not in accord with the facts. There are about 310 national banks in the State of Oklahoma. Only 57 entered into the guaranty scheme. On August 8, 1908, these 57 banks were notified that they must withdraw from the agreement, and so far replies have been received from 33 of them. Twenty-seven have informed the Comptroller that they have notified the State Banking Board of their desire to withdraw from the guaranty agreement. Seven have indicated their intention to surrender their national charters and reorganize as State banks, but two only have thus far actually gone into voluntary liquidation for that purpose. Replies have been received from 134 of the 253 banks that have not entered into the agreement. A majority of them state they had no intention of doing so, as they were not in sympathy with the movement. One national bank, recently chartered, states that its purpose in converting from a State bank to the national system was to escape the requirements of the guaranty law."

The organization of capital into corporations with the position of advantage which this gives it in a dispute with single laborers over wages, makes it absolutely necessary for labor to unite and maintain itself.—Hon. Wm. H. Taft, at Cooper Union, New York City.

If I am elected President, I shall urge upon Congress, with every hope of success, that a law be passed requiring a filing in a Federal office of a statement of the contributions received by committees and candidates in elections for members of Congress and in such other elections as are constitutionally within the control of Congress.—From Hon. Wm. H. Taft's speech accepting Presidential nomination.

There is a class of capitalists who look upon labor unions as per se vicious and a class of radical labor unionists who look upon capital as labor's natural enemy. I believe, however, that the great majority of each class are gradually becoming more conciliatory in their attitude, the one toward the other. Between them is a larger class, neither capital nor labor unionist, who are without prejudices, and I hope I am one of those.—Hon. Wm. H. Taft, at Cooper Union, New York City.

We are winning headship among the nations of the world because our people are able to keep their high average of individual citizenship and to show their mastery in the hard, complex, pushing life of the age. There will be fluctuations from time to time in our prosperity, but it will continue to grow just so long as we keep up this high average of individual citizenship and permit it to work out its own salvation under proper economic legislation.—President Roosevelt at Minneapolis, April 4, 1903.

The American people are studying these questions as never before. They prize their independence. They insist, and will forever insist, upon that liberty which is among the most precious of their possessions; but they realize more and more as the years go by that when liberty becomes license, when great power is misused, and great privileges are abused, they as individuals suffer, and the citizenship in which they glory is weakened and discredited.—Address of Secretary Cortelyou at the annual banquet of the Syracuse Chamber of Commerce, Syracuse, N. Y., Tuesday evening, April 21, 1908.

I have reviewed what have properly come to be known as President Roosevelt's policies. I have attempted to point out one or two instances in which I would qualify details of future policies which he has sketched, but with these minor exceptions as to method, I am glad to express my complete, thorough, and sincere sympathy with, and admiration for, the great conserving and conservative movement with which he has with wonderful success initiated and carried so far against bitter opposition, to remedy the evils of our prosperity and preserve to us the institutions we have inherited from our fathers.—Hon. Wm. H. Taft, at Columbus, Ohio.

Labor needs capital to secure the best production, while capital needs labor in producing anything. The share of each laborer in the joint product is affected not exactly, but in a general way, by the amount of capital in use as compared with the number of those who labor. The more capital in use the more work there is to do, and the more work there is to do the more laborers are needed. The greater the need for laborers the better their pay per man. Manifestly, it is in the direct interest of the laborer that capital shall increase faster than the number of those who work. Everything which legitimately tends to increase the accumulation of wealth and its use for production will give each laborer a larger share in the joint result of capital and labor.—Hon. Wm. H. Taft, at Cooper Union, New York City.



## PRESIDENT ROOSEVELT.

Theodore Roosevelt: born in New York, October 27, 1858; elected to the New York legislature in 1881; delegate-at-large to the Republican National Convention in 1884; United States Civil Service Commissioner 1889-95; President of New York Police Board 1895-7; Assistant Secretary of the Navy 1897-8; Lieutenant-Colonel and Colonel of Rough Riders' regiment during the war with Spain; Governor of New York 1899-1900; was elected to the Vice-Presidency in 1900 and succeeded to the Presidency on death of President William McKinley, September 14, 1901.

He devoted the remainder of that presidential term to carrying out the policies of President McKinley, in Cuba, in the Philippines, in developing and strengthening the Monroe doctrine, in his dealings with the various aspects of the Venezuelan question, and in his official relations with the various American countries; gave prompt recognition to the infant republic of Panama, in which he was quickly followed by the principal nations of the world; inaugurated the Panama canal work; put in operation the new Department of Commerce and Labor; adjusted, through arbitration, the anthracite coal troubles when the strain between labor and capital was the greatest ever known in this country; and instituted through the Attorney-General's office a rigorous enforcement of existing laws against discriminations and other unjust dealing by trusts and other great corporations of the country.

In November, 1904, Mr. Roosevelt was elected to the Presidency by the largest popular majority ever given in the history of the country. He carried every State north of Virginia and the Ohio River, and every State west of the Mississippi excepting Arkansas, Louisiana, and Texas. His triumph was fully expected, and it was accepted with content, if not with marked approval, in the States which had given their majorities to Judge Parker. Early on election evening Judge Parker sent the President the following telegram: "The people by their votes have emphatically approved your administration, and I congratulate you." At the same moment,—namely, on Tuesday evening,—as the sweeping nature of the victory came to be known, President Roosevelt made a remarkable announcement, which appeared in the newspapers, Wednesday morning, along with the reports of the election:

I am deeply sensible of the honor done me by the American people in thus expressing their confidence in what I have done and have tried to do. I appreciate to the full the solemn responsibility this confidence imposes upon me, and I shall do all that in my power lies not to forfeit it. On the Fourth of March next I shall have served three and one-half years, and this three and one-half years constitutes my first term. The wise custom which limits the President to two terms regards the substance and not the form. Under no circumstances will I be a candidate for or accept another nomination.

Mr. Roosevelt was not under any kind of pressure or obligation to make such a statement. He had been re-elected by the people of the country, without reliance upon the special aid of any individuals or interests, and he could have left the future to shape itself. But he believed that he could do the work that lay before him more effectually if it were known that he was not unduly elated by his personal success, and that he meant to bring all his efforts to bear upon the performance of the duties of his office without diverting the smallest degree of energy toward the winning of support for still another term.

This statement made a profound effect upon the country. It is not often that a man of such decision and strength as Mr. Roosevelt can escape a change in the wind of popular favor. Yet, if Mr. Roosevelt had not made it clear that he would hold firmly to his announcement of November, 1904, the Republican party would have renominated him by acclamation and he would not only have carried all the States that gave their majorities for



him in 1904, but he would also probably have carried several others. Since Mr. Roosevelt was firm in his decision, in spite of much pressure brought to bear upon him, it was highly fortunate that his personal judgment concurred with that of the great majority of the party in believing that the Hon. William H. Taft, Secretary of War, was the man best suited under all existing circumstances and conditions to receive the nomination. At no point in his brilliant career have the moral strength and political integrity of Theodore Roosevelt been clearer to the country and to the world than in the part he took in helping the party to carry out what was its own best judgment in choosing Mr. Taft with the hearty acceptance of every Republican factor and element.

Mr. Roosevelt's administration has been so replete with valuable achievements that a mere recapitulation of them would fill many pages. At no time in our history have our relations with foreign countries been so friendly, and at no time has our position as an influence for good in the affairs of the world been so solid and unquestioned as in this period of Mr. Roosevelt's administration. There is not a European power, great or small, with which our government is not upon terms of good understanding. With none of the great powers is there any question pending that occasions friction.

Our relations to our own continent have been vastly improved. Outstanding questions between this country and the Dominion of Canada are all either cleared up or in the way of settlement through friendly negotiations. Mr. Roosevelt and his distinguished Secretary of State, Mr. Root, have almost completely changed the attitude of South America toward our government, having convinced the leading republics of the South of our friendliness and good will.

To have been instrumental in calling the second Hague Conference belongs to the credit of President Roosevelt, and this work for the promotion of peace was attended with the negotiation of numerous special arbitration treaties with foreign countries: by practical steps which secured neutrality for China in the Russo-Japanese War; and, finally, by the masterly statesmanship which secured an ending of hostilities in the Far East and the assembling on American soil of the representatives of Russia and Japan to fix upon terms of peace.

The successive stages in the organization of government and of engineering work at Panama have been of lasting credit to Mr. Roosevelt and his administration. What was the most unwholesome has now become perhaps the healthiest spot in the whole tropical world through enlightened sanitary work. Enormous progress has been made in digging the Panama Canal, with an efficiency on the part of government officers that fully equals that recently shown by great American railroad and industrial corporations in their own improvement. One important step in bringing this about was the President's own personal visit to Panama in November, 1906.

Mr. Roosevelt has served in the Presidency during a period of inevitable readjustment following the astounding material progress of the country. Different kinds of industries were coming under the control of great unified corporations, popularly known as trusts. Railroads were being reorganized and amalgamated in large systems. It became necessary for the welfare of the public to bring these large aggregations of capital under the reasonable authority of law and government. No President of firm character and statesmanlike understanding could have avoided the serious duties and responsibilities which this condition in the country had created. Mr. Roosevelt's attitude toward questions of this character was that of a firm executive rather than of an aggressive innovator.

It was the judgment of fair-minded and wise men that the practice of rebating and the granting of various forms of special favor by railroads to large corporations and shippers could no longer be tolerated. The fact that such practices have been almost entirely broken up will stand to the credit of President Roosevelt's administration. The public and the railroads alike are benefited. The small industries are now secure in their rights as against their large competitors. This process of bring-



ing even-handed justice to bear upon the economic life of the country is not yet complete, but the main lines are laid down upon which to proceed. President Roosevelt has again and again declared in favor of such modifications of existing laws as would make it easier to break up methods that are injurious, while placing no obstacles in the way of lawful and beneficial enterprise. The creation of the new Department of Commerce and Labor with its various activities has proved itself a measure of constructive statesmanship that will also stand to the credit of President Roosevelt's administration.

No President has ever worked more intelligently and constantly at the business of his high office than President Roosevelt, and yet he has managed to travel and observe conditions in all parts of the country. Within the first year of his second term it could be said that since entering upon the duties of the Presidency he had visited and spoken in every State and Territory of the Union. His trips to different parts of the country have been taken in such a way as to add to his already extensive knowledge of resources and conditions. No other man among his fellow citizens is so well informed as he about all sorts of things in all parts of the country. This broad knowledge has been of inestimable value in the carrying on of the work of various departments and bureaus. The great reclamation work carried on under government engineers has flourished largely by reason of Mr. Roosevelt's personal knowledge and interest. A like statement might be made regarding various reforms in the public land service. The work of the forestry bureau under his fostering care and wise enthusiasm has grown to such proportions as to give reassurance for the future, where otherwise the outlook for destruction of all our forests was very grave. The taking in hand by the government of the improvement of the country's interior waterways is another policy with which Mr. Roosevelt is to be credited as the foremost leader. At no time has he stood before the whole country in a more patriotic and creditable way than in his conduct of the great conference of Governors and various experts in the spring of 1908 at the White House to consider the proper care of the country's natural resources.

In all matters relating to the army and navy President Roosevelt is a high authority, and he has placed the country's defenses in a position that has enhanced the respect in which our government is held everywhere without arousing any antagonism or jealousy among the nations. In the remission of the Chinese indemnity, granted by Congress on his recommendation, another evidence has been given of our good will towards the great Celestial Empire. In the negotiations with Japan regarding attacks upon Japanese citizens in our Western States and the desirability of limiting Japanese immigration, President Roosevelt and Mr. Root have allayed ruffled feeling and made peace a permanent fact. The great naval expedition around the world as determined upon and executed by Mr. Roosevelt against much bitter criticisms has justified his highest expectations and made friends everywhere for the government and people of the United States.

Our diplomatic and consular services abroad have been improved in the most signal way under President Roosevelt, and our representatives in official life in Porto Rico, Cuba, the Philippines, and elsewhere have been so fortunately selected as to reflect much credit and no scandal upon the administration at home. Never before have the various scientific services of the United States Government been so expertly and efficiently carried on.

Thus, to sum up, Mr. Roosevelt as President has added to our strength in improved relations with all European powers; has made the Monroe Doctrine respected everywhere and brought about the most fortunate relations with South America; has managed our insular dependencies so well as to have made so-called "imperialism" no longer an issue; has made it popular throughout the country to put talent, honesty, and zeal at the service of State and nation; has set a fine example of vigor and character before all our young men. When Mr. Roosevelt's term ends and he retires from office next March it will be as our only living ex-President and as our foremost citizen, with

undiminished capacity for public usefulness and a demonstrated patriotism beyond the promptings of personal ambition.

Much of President Roosevelt's work and that of his administration is outlined in the chapters on the work of the Departments.

#### **Some Important Incidents in Administration of President Roosevelt.**

- Abrogation of the Clayton-Bulwer Treaty.
- Prompt recognition of the Panama Republic.
- Inauguration of work on the Panama Canal.
- Reciprocity treaty with Cuba.
- Mediation in the Venezuelan dispute with Germany and England.
- Mediation in San Domingo.
- Mediation in the Russo-Japanese war.
- Mediation in the Central American hostilities.
- Mediation in the coal strike in the United States.
- Intervention in and temporary occupation of Cuba.
- Call of Peace Conference at The Hague.
- Investigation of packing houses and strengthening of pure food laws.
- Postoffice department investigations.
- Enforcement of laws with reference to Interstate carriers.
- Settlement of the Alaskan boundary dispute.
- Establishment of the Irrigation and Reclamation Service, and extension of forest reserves.

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Defense against injurious importations is as necessary and justifiable as is an army and navy.—Hon. B. F. Jones.

Changes in tariff schedules can with safety be made only by those whose devotion to the principle of protection is beyond question.—From President Roosevelt's speech of acceptance.

We cannot help labor by reducing the value of the money in which labor is paid.—Hon. Wm. McKinley to delegation of workmen, August 24, 1896.

The business world—that is, the entire American world—can not afford, if it has any regard for its own welfare, even to consider the advisability of abandoning the present [protection] system.—President Roosevelt at Minneapolis, April 4, 1903.

We can as little afford to tolerate a dishonest man in the public service as a coward in the army. The murderer takes a single life; the corruptionist in public life, whether he be bribe giver or bribe taker, strikes at the heart of the commonwealth.—President Roosevelt's speech at Sherman statue unveiling, Oct. 15, 1903.

It is always safe to array yourself on the side of your country; it is always safe to stand against lawlessness and repudiation.—Maj. McKinley at Canton, Sept. 23, 1896.

We have lower interest and higher wages, more money and fewer mortgages.—President McKinley.

While this is a big country, it is not now, and may it never be, big enough knowingly to admit into the ranks of its citizenship any avowed disorganizer of government or any avowed scoffer at our republican institutions. But our hands are outstretched to those who come to us with worthy purpose.—Postmaster-General Cortelyou.

The only antitrust law on the Federal Statute books bears the name of a Republican Senator. The law creating an Interstate Commerce Commission bears the name of another Republican Senator and all the law is being enforced by a Republican President.—Hon. E. L. Hamilton, in Congress, April 14, 1904.

We do well to give the sanction of the Federal law to the principle of arbitration. We should encourage a spirit of concord and mutual respect between employer and employee, between the common carriers of interstate commerce and their employees.—Hon. C. W. Fairbanks, in U. S. Senate, May 12, 1898.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

## THE 60TH CONGRESS.

### What the Republican Majority has Done.

[From the New York Tribune.]

With the adjournment of the first session of the 60th Congress, another creditable page has been added to the history of the Republican party. Meeting under conditions not wholly auspicious, confronted by unsettled business conditions and hampered almost throughout the session by the unreasonable filibustering tactics of the Democrats in the House, the leaders of the majority have written numerous valuable laws on the national statute books and have added a quota to the body of international law never before equaled by any session in the annals of the nation.

In the face of widely varying opinions on the subject of finance the Republican majority has once more demonstrated its remarkable ability to subordinate personal views and preferences to the opinion of the majority, and the most important law of the session, the compromise financial bill, is the result. Whatever view may be entertained of the respective merits of the various financial theorems which found abundant expression in course of the session, few impartial judges will withhold admiration for the party discipline which brought harmony out of practically irreconcilable differences and enacted a law which, although it will probably never be called into action, constitutes an insurance against recurring monetary stringencies and their consequent panics. Moreover, the constructive ability which made this law possible furnishes an earnest of the highly desirable results to be expected from the work of the National Monetary Commission, which has been created to evolve a new financial system which shall obviate all reasonable objections to existing methods and place the federal finances on a basis as sound as the demands of a rapidly and steadily growing country and a constantly expanding commerce require.

Aside from the financial law, the legislation of this session is composed of a great number of comparatively small laws, thoughtfully conceived and perfected with much hard work and care, the aggregate constituting a highly valuable addition to the federal statutes, although few are in themselves of outstanding importance. The work of the Senate in perfecting and approving international conventions must compel admiration from every student of public affairs.

The most perfect harmony and cooperation have existed between the Department of State and the Senate, and rarely has the Committee on Foreign Relations held a formal meeting without the attendance of Secretary Root, whose wise counsel has been eagerly sought, whose lucid explanations and logical arguments have proved invaluable to the committee, with the result that forty-one treaties have been ratified and only one is left for further consideration, the international convention governing the operation of wireless telegraphy. Three Hague conventions have been left without action, but two of these were not signed by the American plenipotentiaries to the second Hague convention, and ratification of the third was not urged by the Secretary of State.

The cause of arbitration has been promoted by the ratification of treaties with twelve of the great powers; the approval of eleven Hague conventions will materially make for peace and diminish the hardship to non-combatants in international wars, while treaties with Japan protecting the integrity of American trademarks and copyrights from imitations and infringement by Japanese citizens in China and Korea will go far to dissipate a hitherto productive source of friction between this country and Japan. The skillful negotiations of the representatives of the United States and Great Britain and the cordial cooperation of the Senate have removed numerous obstacles to the friendly relations of Canada and this republic, and the result of the conventions ratified will be the impossibility of boundary and jurisdiction controversies.

One of the most important laws enacted perfects former legislation increasing the efficiency of the militia. Under the former law the equipment of the militia with arms and accoutrements similar to those of the regular army was partly accomplished, but the new statute practically makes the national guardsmen an integral part of the national military establishment, subject to the call of the President in time of need, obviating the necessity of reorganization and even partial re-equipment of the state forces during the stress of threatened hostilities.

True to its promises as expressed in several national platforms the Republican party has cheerfully acknowledged the arrival of the hour when the existing tariff schedules must be readjusted to meet new conditions, and both houses of Congress have made ample provision for the accumulation and compilation of such information as may be needed in the revision scheduled to occur at a special session of Congress to be held next spring.

Responding to the recommendation of the President, the Congress has made provision for an act of international justice and generosity only paralleled by the relinquishment of the control of Cuba—the voluntary remission of more than \$10,000,000 of the indemnity exacted from China to meet damages resulting from the Boxer uprising.

Generous provision has been made for the extension and completion of the national defenses by the addition of two modern battleships to the navy, besides several smaller vessels; the fortification of Pearl Harbor and the establishment there of an effective naval base, the completion of several coaling stations already begun, and the perfection of modern systems of fire control, the installation of up-to-date batteries and the con-



struction of modern ordnance for coast defenses already established. Proper provision has been made for the increased demands of the modern navy by increasing the personnel by six thousand men and the marine corps by six hundred officers and men, and the pay of the army, navy and marine corps has been increased in accordance with the demands of modern civilization and the increased requirements of foreign service and numerous and long transfers of station.

The Republican party has pursued its customarily generous course toward the veterans of past wars and has cared for the dependents of the men who have given their all to their country by an increase of the small stipends of their widows by 50 per cent.

The Philippines have not been forgotten, an additional member having been added to the islands commission and the application of the coastwise laws of this country to the archipelago having been suspended in the interest of Philippine commerce and prosperity.

In the light of experience gained from past misfortunes the navigation laws of the country have been revised and strengthened at every point, and the safety of those who for pleasure or duty go down to the sea in ships has been enhanced and safeguarded in every possible manner, including the establishment of numerous additional lighthouses, placing of buoys, and the control of the vessels and their crews.

Labor has been cared for in many ways. A revised employers' liability law has been enacted to replace that declared unconstitutional by the Supreme Court; a federal liability law, protecting those government employees engaged in hazardous undertakings has been placed in the statutes, and only the extravagant demands of certain labor leaders have prevented the enactment of an equitable anti-injunction law, to which subject the entire Republican membership of the House devoted many hours; and for the juvenile wage earners a child labor law has been enacted for the District of Columbia which it is hoped and believed will serve as a model for numerous state statutes.

#### Matters Left for Future Action.

Among the measures left for further consideration at the next session of Congress are some of the most spectacular propositions of the session, some policies urged by the President and others advocated vociferously in the public prints, many, perhaps, of hardly equal importance to measures which have been enacted without attracting extensive popular attention. But intelligent examination of these policies and proposed laws reveals the fact that they are replete with difficulties, and that only that prudent deliberation which has ever characterized the legislative work of the Republican party can insure the success of such policies when finally enacted and avert the pitfalls offered by hasty or inconsiderate action. Much time and thought have been devoted at this session to every important subject which failed of action, time and thought which must ultimately result in wise legislation free from those errors of policy and inaccuracies of statutory expression which are inevitable concomitants of hasty consideration of important and intricate legislative problems.

#### Important Laws Enacted.

Sixtieth Congress, First Session, December 2, 1907, to May 30, 1908.

Financial law whereby banks in periods of financial stringency may issue currency to the amount of \$500,000,000, depositing as security therefor bonds, commercial paper or other assets, such emergency currency being so taxed as to insure its retirement as soon as the stringency has passed.

Customs law changed so that importers must present all evidence in appeal before board of appraisers, simplifying procedure, increasing appraisers' salaries and making them removable only for cause.

Militia made integral part of the national military establishment, with additional appropriation of \$2,000,000 for equipment, etc., making total annual appropriation for militia of \$5,000,000.

Public buildings bill, authorizing many needed structures, purchase of sites, etc., including site for Departments of State and Commerce and Labor, adjoining Treasury and White House grounds.

National monetary commission created to devise a sound monetary system for the government.

Two new battleships, at cost of \$6,000,000 each, exclusive of armor and armament; ten torpedo boat destroyers, three steam colliers and eight submarines.

Consular service reorganized, abolishing unnecessary consulships and consul generalships and establishing those most needed.

Widows' pensions increased from \$8 to \$12 a month and certain unnecessary restrictions abolished.

Importation of impure tea, tea siftings, etc., prohibited.

"In God We Trust" restored to gold and silver coins.

Investigation of tariff, preliminary to revision, confined to Ways and Means and Finance committees.

Model child labor law for District of Columbia.

Employers' liability bill enacted to replace that pronounced unconstitutional by Supreme Court.

Government liability law, providing compensation to all federal employees for injuries received in line of duty.

Additional safeguards provided for regattas.

Provision for fortified naval base at Pearl Harbor, Hawaii, for Hawaiian drydock and the completion of coaling stations at San Diego and California City Point.

Efficiency of army medical corps increased by additional officers and creation of reserve medical corps.

Game in Alaska protected.

Increasing army pay, officers approximately \$500 a year each and enlisted men about 40 per cent, increase applying to both retired and active lists.

Increasing navy pay, officers and enlisted men practically equalized with army. Enlisted force increased 6,000 men.

Marine corps increased approximately 600 officers and enlisted men.

Restrictions on lands of the Five Civilized Tribes removed adding \$150,000,000 to taxable property of Oklahoma.

Addition of one member to Philippine Commission.

Numerous additional lights, lighthouses, and buoys.

Creation of rank of captain in Philippine Scouts, companies having heretofore been commanded by lieutenants.

Enlarging the classification of employees to whom railroads may grant free transportation.

Provision that appeals from decisions of federal courts on habeas corpus proceedings shall be had only when such court or a justice of the Supreme Court decides there is ground for appeal.

Immigration station established at Philadelphia at cost of \$250,000.

Additional safeguards for passenger-carrying ships provided.

Efficiency of life-saving service promoted by raising compensation and providing pensions.

Payment of damages of \$400,000 for Catholic Church property destroyed in Philippines.

Establishing thirty additional fish hatcheries and otherwise increasing efficiency of Fish Commission.

Granting 3,000 pensions to deserving veterans of the Civil and Spanish wars.

Repealing application of coastwise laws to the Philippine Islands.

Secretary of Navy authorized to receive and care for gifts to naval vessels.

Creation of commission and appropriation of \$1,500,000 for representation of the United States at the Tokyo exposition.

Prohibiting desecration and improper use of the flag.

Revenue cutter service increased by transfer to that service of gunboat Vicksburg.

Salaries of assistants to Cabinet officers raised to \$5,000 a year.

Appropriation of \$14,500 to meet expenses of counting electoral vote.

Appropriation of \$29,227,000 for the Panama canal.

Appropriation of \$20,000 for continuing survey and marking boundary between the United States and Canada.

Female nurse corps established for navy hospitals and navy hospital ships.

Military bands must not compete with civilian musicians.

Drainage of public lands in Minnesota, including all unpatented lands.

Joint maneuvers of army and militia authorized, with \$1,000,000 appropriation.

Remission of \$10,800,000 of the Chinese indemnity resulting from Boxer uprising.

Anarchistic and seditious publications and intoxicants and cocaine excluded from the mails.

Attorney General directed to institute suits to compel forfeiture to the United States of certain lands granted to the Central Pacific, Oregon Short Line, etc., on ground of violation of contract.

Invitation extended to all nations to send delegates to the International Tuberculosis Congress, to be held at Washington, beginning September 21, 1908.

Chippewa national forest reserve created in Minnesota.

Patent law amended so that all patents shall issue within three months after final fee is paid, and that in the event of the death of patentee any patent pending shall issue to his legal heirs.

Secretary of War authorized to expend \$250,000 for the relief of sufferers from cyclone of April, 1908, in Georgia, Alabama, Mississippi and Louisiana.

Interstate Commerce Commission authorized to prescribe regulations for the transportation by common carriers of explosives, to promote the safety of passengers and employees.

Penalty imposed on soldiers who sell their arms, uniforms, or accouterments mitigated.

Railroads engaged in interstate commerce prohibited after January 1, 1910, from using any locomotive equipped with an ashpan which necessitates an employee getting under the engine.

Sixty-two laws authorizing construction of bridges over navigable streams.

Five laws authorizing construction of dams in navigable streams.

Nine laws affecting federal courts, judicial districts, etc.

Seven laws affecting customs, granting increased privileges to certain ports, etc.

Twenty-five laws affecting public lands, making special grants, etc.

Seven laws for the District of Columbia, including prohibition of all betting within the District and providing for free examination of sputum in suspected cases of tuberculosis.

Five laws authorizing the Secretary of War to donate obsolete ordnance to quasi-military organizations, including one of Confederate veterans and one erecting a Confederate monument.

Pediment for House front of the Capitol provided for at cost of \$75,000.

Resolutions condemning Representative Lilley and exonerating members of the House from implication of improper influences in connection with submarine boat appropriations.

Commission, consisting of Secretary of War, chairmen both committees on Public Buildings and one District commissioner, to investigate Bieber land scandal and similar cases.

Investigation of wood pulp industry; House committee reported no warrant for altering tariff at this time and no conclusive evidence of a trust, but sufficient ground for further investigation.

One hundred and fifty-two public laws were enacted.

There were 2,300 invalid pension acts and about 700 private pension acts.

**Bills introduced:** In House, over 22,000; in Senate, over 7,000.



**Measures Left Over for Next Session.**

Venezuelan reprisals, correspondence, etc., left in Senate Committee on Foreign Relations.

Brownsville resolutions, providing for restoration to the army of certain soldiers discharged from the 25th Infantry.

Changes in administrative customs laws, in accordance with agreement with Germany.

Postal savings bank bill. Left on Senate calendar.

Parcels post reduction. No action by either house.

Provision for model of battleship for each state for which such ship is named. Left in House committee.

Federal injunctions against state statutes to be issued only by majority of three federal judges; left in House Judiciary Committee.

Anti-injunction legislation. Left in House Judiciary Committee.

Federal grain inspection. Left in Interstate Commerce Committee.

Amendments to Sherman anti-trust law. Left in House Judiciary Committee.

Campaign publicity legislation. Left in Senate committee.

Creation of public utilities commission for District of Columbia.

Amendment of interstate commerce law to give states jurisdiction over intoxicating liquors brought within their boundaries.

Naturalization law amended increasing the fees for complete naturalization from \$5 to \$10 and providing for additional clerks of courts authorized to grant naturalization.

**Treaties Ratified by Senate This Session.**

Eleven Hague conventions—rights of neutrals, laws of war on land, hospital ships, naval bombardments, rights of capture in naval war, restriction of submarine mines, prohibiting discharge of projectiles and explosives from balloons, pacific settlement international controversies, limiting employment of force for collection of contractual debts, governing opening of hostilities and adapting Geneva convention to maritime warfare.

Establishment of international health office.

Pan-American copyright and code of international law.

Twelve arbitration conventions—Denmark, France, Great Britain, Italy, Japan, Mexico, Netherlands, Norway, Portugal, Spain, Sweden and Switzerland.

With Great Britain—Canadian boundary, Canadian fisheries, wreckage and salvage and conveyance of prisoners in United States and Canadian territory.

Extradition with Spain, San Marino and Portugal and Uruguay.

Protection of trade-marks in China and Korea with Japan.

Naturalization with Peru, Portugal and Salvador.

**Treaties Considered but Not Ratified.**

Three Hague conventions—creation of international prize court, affecting status of merchant ships at outbreak of war and conversion of merchant ships into warships. Disapproved by committee.

Wireless convention—international treaty defining duties of wireless telegraph companies, etc.

**Presidential Messages.**

The President sent to Congress twenty messages, including nine transmitting reports of federal officers, in response to resolutions, etc. Eleven special messages recommended general or special legislation. The most important executive communications were the annual message of December 3, 1907, and special messages, as follows:

December 21, asking continuance of Biological Survey.

January 6, urging that additional census employees be subject to Civil Service regulations.

January 28, urging pensions, etc., for life-saving service.

March 25, urging general legislation.

April 14, urging authorization of four battle ships.

April 27, urging general legislation.

The President also sent to Congress one veto message, in which he disapproved a bill granting an extension of time to a company previously authorized to dam the Rainy River, in Minnesota, but, with his consent, it was later passed over his veto.

**Detailed Appropriations This Session for Fiscal Year ending June 30, 1908.**

Agriculture .....	\$11,672,106 00	Pension .....	\$163,053,000 00
Army .....	95,382,247 61	Post-Office .....	222,962,392 00
Diplomatic and Consular .....	3,577,463 91	Sundry civil .....	112,937,313 22
District of Columbia .....	10,117,668 85	Urgent deficiency .....	24,050,125 48
Fortification .....	9,317,145 00	Additional urgent deficiency .....	2,163,000 00
Indian .....	9,253,347 87	General deficiency .....	30,782,848 17
Legislative, etc., .....	32,833,821 00	Minor miscellaneous .....	3,000,000 00
Military Academy .....	845,634 87	Permanent annual .....	154,194,295 12
Navy .....	122,662,485 47		
		Total .....	1,008,804,894 57



**The Record of Appropriations for Twenty Fiscal Years.**

1909	.....	\$1,008,804,894	57	1899	.....	\$862,682,487	06
1908	.....	987,644,065	05	1898	.....	485,002,044	72
1907	.....	879,589,185	16	1897	.....	469,494,010	41
1906	.....	820,184,624	86	1896	.....	457,088,344	72
1905	.....	781,172,375	18	1895	.....	459,925,178	62
1904	.....	736,578,402	76	1894	.....	479,932,667	08
1903	.....	796,633,864	79	1893	.....	463,684,385	20
1902	.....	757,607,464	72	1892	.....	514,424,019	49
1901	.....	719,278,826	89	1891	.....	509,368,345	86
1900	.....	690,667,188	54	1890	.....	385,522,367	61

**INCREASE OF OFFICES DURING THE PAST YEAR.**

**Chiefly Postal Clerks to enlarge the Mail Service, and Seamen in the Navy to Equip New Vessels.**

The Democratic platform of 1908 says: "During the past year 23,784 office holders were added, costing \$16,156,000."

An official statement prepared and issued by the clerks of the House and Senate appropriation committees, showing the appropriations, new offices, etc., of the 60th Congress, states the number of new offices specifically created 16,824, and those omitted, 6,142, making the net increase 10,682. The total of salaries for the new offices above named is given at \$13,766,376, and that of those omitted \$4,678,389, making the net increase in salaries for offices specifically created, \$9,087,987. In addition there was appropriated for new offices in which the number and salary of each was not named a sum of \$2,948,687, and omitted in this class a sum of \$319,984, making the net increase in this group \$2,628,703, and the net total of increase for all salaries \$11,716,690 instead of the \$16,156,000 named in the Democratic platform.

The principal increase in number of "new offices" were as follows: 6,000 seamen in the navy at \$36.60 per month; 7,980 postal employees at salaries ranging from \$100 per month downward. All of these increases were supported by Democrats and Republicans, irrespective of party.

Another "increase in salaries" which will doubtless be exploited by the same class of fault finders, is the advance in salaries of 129,928 existing offices at an increased annual expense of \$9,146,575. The principal items in this increase are as follows: 49,277 private soldiers in the army, pay increased \$2.00 per month; 36,000 seamen, pay increased \$3.60 per month; 7,169 privates in the marine corps, pay increased \$2.00 per month; 2,500 apprenticed seamen, pay increased \$1.60 per month, the remainder of the increase being in most cases non-commissioned officers in Army and Navy, and the rate of increase small.

**National Expenditures, Though Growing Rapidly, do not Keep Pace With the Increasing National Wealth—so the Burden of the National Government Becomes Smaller and Smaller with the Passing of the Decades.**

[Statement of Census Bureau, printed in daily Congressional Record May 30, 1908 as a part of speech of Hon. James A. Tawney.]

The average annual per capita expenditure of the National Government payable from taxes for eight years 1846 to 1853 was \$2.02; for the eight year ending June 30, 1905, it was \$6.65; and for the year ending June 30, 1907, \$6.77. The average for the eight years 1898 to 1905 was 3.29 times, and that for 1907 was 3.35 times, the corresponding average for the period 1846 to 1853. To the extent represented by these numbers did the expenditures payable from taxes increase faster than population.

The per capita of national taxable wealth was \$308 in 1850 and \$1,234 in 1904. In the latter year it was four times what it was in 1850, indicating that the relative ability of the nation to pay taxes had increased in fifty-four years four times, while the national expenditures payable from taxes had increased in the fifty-seven years ending in 1907 only 3.35 times. The national wealth, or the ability to meet governmental expenditures, increased at least 20 and possibly 25 per cent more than did the national expenditures to be met from taxation. Considering

the number of people in the country to be taxed, the present National Administration makes the Government 3.35 times as costly to the taxpayer as did the Government of 1846 to 1853. But taking account of the wealth of the citizens or their ability to support the Government, the Administration of the United States in 1907 was only 75 or 80 per cent as burdensome as that which controlled the country at the middle of the last century.

The following table presents the actual expenditures of the Federal Government by decades, from 1850 to 1907 a period of fifty-seven years, and the amount which such expenditures represents per \$1,000 of national wealth as compiled at the various census periods mentioned. The proportion per \$1,000 of national wealth of the taxes levied to meet the expenditure, including schools, for government other than Federal, from 1860 to 1902, and the grand total of expenditure for government, exclusive of Federal, compiled only at the Eleventh and Twelfth Censuses, are also presented.

*Total national wealth and expenditures of the Federal Government and of State, county, municipal, and all local governments, per \$1,000 of wealth, 1860 to 1907.*

Year.	Total national wealth.	Total expenditures of National Government taxable.		Tax levy for expenditures for States, counties, cities and civil divisions, including schools.		Payment for expenditures for State, counties, cities, minor civil divisions, including schools.	
		Amount.	Per \$1,000 of national wealth.	Amount.	Per \$1,000 of national wealth.	Amount.	Per \$1,000 of national wealth.
1850	\$7,135,780,228	\$46,448,368	\$6.5				
1860	16,159,616,068	71,718,918	4.4	\$94,186,716	\$5.8		
1870	24,054,814,806	313,429,238	13.2	226,135,629	9.4		
1880	41,067,122,000	298,163,117	7.3	313,921,476	7.6		
1890	61,203,755,972	358,618,585	5.9	471,335,110	7.7	\$50,252,634	\$3.3
1900	82,304,517,815	590,068,371	7.2				
1902	89,238,732,842	508,038,905	6.5	724,736,531	7.9	1,153,447,085	12.8
1904	100,272,947,840	735,984,916	7.2				
1907	113,749,270,337	762,488,752	6.7				

a Estimated on basis of increase 1900-1904.

The expenditures of the National Government payable from taxation may be compared with the general property taxes levied for the support of State and municipal governments. The tax levies for State and municipal governments were ascertained by the Bureau of the Census for 1880, 1890, and 1902. For 1880 the per capita of such levies was \$6.26, and in 1902, \$9.22. In twenty-two years it increased 47.3 per cent. The per capita of national expenditures payable from taxation in 1880 was \$5.23, and in 1902, \$5.91, and in 1907, \$6.77. The percentage of increase from 1880 to 1902 was 12, and from 1880 to 1907, only 28.2. The former was only a fourth and the latter barely 60 per cent of the corresponding percentage of increase of State and local taxation for twenty-two years. State and local taxation is increasing proportionately with national wealth and the ability of the people to meet the added costs of local government, while national expenditures—though growing rapidly—do not keep pace with the increasing national wealth; and so the burden of National Government becomes smaller and smaller with the passing of the decades—at least, that has been the general trend of affairs since the middle of the nineteenth century, in spite of the cost of the civil war with its legacy of heavy interest and pension charges.

#### THE WOOD PULP AND PAPER INVESTIGATION.

The following are extracts from the report of the House Committee appointed to inquire into the complaint that prices of news-print paper had been arbitrarily and unjustly advanced by a trust or combination:

The select committee of the House appointed to inquire into the elements and conditions involved in the production and supply of wood pulp and print paper in so far as the same are or may be affected by any combination or conspiracy to control, regulate, monopolize, or restrain interstate or foreign commerce and trade in the manufacture, supply, distribution, or sale of wood pulp or paper of any kind, or any of the articles entering into the same, or any of the products of paper, and how far the same may be affected by the import duties upon wood pulp or paper of any kind, and how far the same may be affected by the rapid destruction of the forests of the United States and consequent increase in the price of wood which enters into the manufacture of wood pulp, and also to inquire whether the present prices of print and other paper are controlled in whole or in part by any combination of persons or corporations engaged in commerce among the several States or with foreign nations, and

if so, to inquire into the organization, methods, and practices of such corporations or persons, and also to inquire into certain alleged facts and to obtain all possible information in regard to the same, beg leave to submit a partial and preliminary report and to say that since its appointment the committee has been diligent in making its investigation, and the members of the committee have devoted practically their entire time since appointment to the work of the committee, neglecting their other official duties for that purpose.

The committee listened with interest, attention, and care from April 25 to May 14 to the witnesses appearing in behalf of the contentions of the American Newspaper Publishers' Association, and followed with painstaking care the statements made and evidence presented by Mr. John Norris, who appeared as the special representative of that association. Every opportunity has been given to newspaper publishers to present evidence before the committee, though not all of the publishers who offered to appear or whom the committee would like to hear have yet been examined.

In addition to the testimony presented before the committee, your committee sent out, May 6, 7,000 letters to various newspapers and other publications throughout the country.

#### Contention of Publishers.

It has been the contention of the newspaper publishing interests—

First. That the price of news-print paper was advanced in September, 1907, to \$50 per ton in New York and correspondingly elsewhere, a figure that was claimed to be \$12 per ton in advance of the price of two years previous, and that a still further advance was threatened of \$10 per ton more, thereby planning, as claimed, an advance of \$22 per ton.

Second. That the advance actually made and the planning of a further advance were both the result of a combination or conspiracy entered into by the news-print paper manufacturers or their selling agents.

Third. That such advance in price and such combination to make further advance were caused, or at least in part aided, by the tariff duties imposed on wood pulp and print paper, and hence that, in justice to the newspapers and other printing and publishing interests of the country, the duties on pulp and paper should be repealed.

Fourth. That the decree of the United States court dissolving the General Paper Company had been willfully violated by paper manufacturers in Michigan, Wisconsin, and Minnesota, parties to that decree, who had in violation of the decree acted in concert and agreed as to prices and to the imposition of conditions upon the manufacture, sale, and distribution of the paper manufacture.

The above may not completely state the contention of the newspaper publishers, but it gives a general and fair idea of their claims.

One of the inquiries submitted to your committee was to the effect of the destruction of the forests of the United States upon the production, supply, and price of wood pulp and print paper.

It appears that the average price received by the International Paper Company for paper delivered was, in 1900, \$2.06; in 1901, \$2.12; in 1902, \$2.07; in 1903, \$2.14; in 1904, \$2.12; in 1905, \$2.07; in 1906, \$1.99; in 1907, \$2.05, and for the first three months of the current year, \$2.20 per hundred pounds.

The average selling price of the St. Regis Paper Company per hundred pounds of news-print paper f. o. b. mill for January, 1903, was \$1.75; January, 1904, \$1.75; January, 1905, \$1.74; January, 1906, \$1.47; January, 1907, \$1.75; January, 1908, \$2.13. The evidence shows that at this mill, while the selling price f. o. b. mill had increased from \$1.75 in January, 1903, to \$2.13 in January, 1908, the cost of production, excluding interest and depreciation, had increased from \$1.30 in January, 1903, to \$1.61 in January, 1908, and that in January, 1906, while the average selling price was \$1.47 the average production cost was \$1.54.

#### Combination in Restraint of Trade.

The evidence before the committee so far fails to prove any combination of print-paper manufacturers to advance prices or otherwise in restraint of trade, but considerable evidence was presented which might excite suspicion that such a combination had been made and was in existence. Evidence was presented in relation to a combination of manila and fiber manufacturers, and it seems to be admitted that that combination did exist, has since been dissolved with a fall in the price of its products, and is now under investigation through the Department of Justice in the United States court at New York.

Such of the paper manufacturers as have appeared before your committee during its hearings have strenuously and completely denied under oath the existence of any combination, agreement, or understanding of any nature whatever among the paper manufacturers or their selling agents to regulate, control, or advance the price of paper, the assignment of customers, or for any other purpose in restraint of trade.

#### Increased Cost of Production.

The mill owners insist that there has been a decided increase in the cost of producing paper, caused—

First. By the increase in the cost of pulp wood and wood pulp.

Second. By increase in the wages of the employees.

Third. By reduction of the hours of labor per employee per day.

Fourth. By the increase in the cost of other articles which enter into the production of paper.



**Increased Cost of Wood Pulp.**

There seems to have been a decided increase in the cost of pulp wood. This is admitted by everyone. The average cost to the International Paper Company of pulp wood in the rough per cord, delivered at the mill, from 1898 to 1908 is stated to us as follows:

1898.....	\$5.35	1904.....	\$7.49
1899.....	5.28	1905.....	7.79
1900.....	6.07	1906.....	8.00
1901.....	6.43	1907.....	8.54
1902.....	6.83	1908 (first three months)....	10.14
1903.....	6.77		

The average cost to the Northwest Paper Company, at Cloquet, Minn., for pulp wood per cord, in the rough, 8-foot lengths:

1902.....	\$3.15	1905.....	\$4.10
1903.....	3.40	1906.....	5.15
1904.....	3.60	1907.....	7.40

There seems to have been a considerable increase in the average weekly wage of the employees in the paper and pulp mills. This increase has not been greater than seems to your committee to have been necessary, owing to the increased cost of living, and the wages now paid in the paper and pulp mills would not be generally considered high as compared with other skilled labor, though this may be largely owing to the fact that the mills are generally located on streams apart from large centers of population.

**Some Increase in the Price of Paper Justified.**

It would appear that the increase in the value and cost of pulp wood, the increase in wages, the decrease in the hours of labor of many of the employees, and the increase in the cost of other materials used, justified some increase in the price of paper over the prices previously prevailing, notwithstanding some economies perfected in the production of pulp and paper. The International Paper Company is the largest producer of news-print paper in the United States, and produces from 30 to 40 per cent of the entire output.

The evidence shows that the net earnings of that company for the fiscal year ending June 30, 1901, were \$3,054,000; that the average net earnings of the company for the fiscal years from 1899 to 1905, inclusive, were \$2,316,000; that for the fiscal year ending June 30, 1906, the net earnings fell off to \$1,985,000, and for the fiscal year ending June 30, 1907, to \$1,623,000 and for the first six months of the calendar year 1907, to \$777,000; that about the middle of the calendar year 1907 the manufacturing department of the said company submitted reports, showing an estimated increased cost of production for the calendar year of 1908 of \$1,500,000 over that for the fiscal year ending June 30, 1907, based on the same quantity of paper.

**Canadian Competition.**

The principal competition with the news-print paper and pulp mills of the United States comes from the Canadian mills. From Canada we import a large and rapidly increasing amount of pulp wood. We also import a considerable quantity of wood pulp and are now importing some quantity of news-print paper.

**Exportations from Canada.**

Some of the provincial governments in Canada now discriminate against pulp wood for exportation. It is said that most of the forests in the Provinces of Quebec and Ontario suitable for pulp wood are public, or Crown lands belonging to the provincial governments. The Province of Quebec makes a license or stumpage charge of 65 cents, for each cord of pulp wood cut on its Crown lands, with a reduction or rebate of 25 cents for each cord manufactured into pulp within the Dominion of Canada.

This amounts to an export charge of 25 cents per cord, or nearly 40 per cent of the original license or stumpage charge. It is from the Province of Quebec that most of the pulp wood now imported into the United States is obtained. Wisconsin and other western paper and pulp mills could much more cheaply obtain wood pulp from the Province of Ontario than from Quebec, but the Province of Ontario absolutely prohibits the exportation from Canada of any pulp wood cut on its public lands, though permitting such cutting for manufacture at home.

The committee is firmly of the opinion that the tariff on news-print paper and on wood pulp should not be removed as to paper or pulp coming from any country or place which prohibits the exportation of pulp wood, or which levies any export duty on paper, pulp, or pulp wood, or makes any higher charge in any way upon wood pulp or pulp wood intended for exportation to the United States.

The evidence taken so far would seem to indicate that the temporary suspension or entire removal of the present tariff would not have any great immediate effect, and if the tariff is removed at any time it should be coupled with the right to free exportation of pulp wood from the Canadian forests. The removal of the tariff on print paper and wood pulp, if followed by an export duty on pulp wood coming from Canada, would probably result in a considerable increase in the price of print paper and the early destruction of the pulp wood forests in the United States.

A low or even moderate price for print paper in the future is dependent mainly upon the future supply and cost of pulp wood. About one-third of the pulp wood now consumed in the manufacture of paper by our mills is imported from Canada. If an export duty should be levied by Canada upon the exportation of pulp wood, or if the Province of Quebec should follow the example of the Province of Ontario and entirely pro-

hibit the exportation of pulp wood cut on its Crown lands, the cost of pulp wood in the United States would be greatly enhanced and the price of paper would go up.

A mistaken policy might easily prove of inestimable damage and cause the practical destruction of the cheap daily newspaper.

It would seem that for the American publisher to be assured of low prices for his paper, it is essential to maintain paper mills in the United States. Any policy that would give the Canadian mills a preferential advantage over American mills in obtaining the raw material at a lower price must inevitably result in the dismantling of American paper machines and the ultimate dependence of American publishers on Canadian mills. Under such conditions Canada could levy export duties on print paper that would result in enhanced prices without the presence of competition from American paper manufacturers.

So far as the information yet presented to the committee discloses the facts, your committee is inclined to the opinion that if the American mills can obtain pulp wood from Canada on even terms with the Canadian mills, they can make ground wood pulp as cheaply as it can be imported from Canada free of any duty. What effect the removal of the tariff upon paper would have as to Norwegian and other European competition, your committee is at present unable to say, though it has been claimed before your committee that the wages paid in European countries are only one-third to one-half of the wages paid in the mills of the United States, and that under free trade competition the low wages in the European countries would be disastrous to the wage scale and the hour scale in the American paper mills.

Your committee proposes during the summer vacation to continue its investigation and expects to be able to present to the House at the next session of Congress definite recommendations, based upon complete information thoroughly considered, as to the various matters of inquiry submitted to the committee.

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What I am anxious to emphasize is that there is a wide economic and business field in which the interests of the wealthiest capitalist and the humblest laborer are exactly the same.—Hon. Wm. H. Taft, at Cooper Union, New York City

The tariff affects trusts only as it affects all other interests. It makes all these interests, large or small, profitable; and its benefits can be taken from the large only under penalty of taking them from the small also.—President Roosevelt at Minneapolis, Minn., April 7, 1903.

It is greatly in the interest of the workingman, therefore, that corporate capital should be fairly treated. Any injustice done to it acts directly upon the wage-earners, who must look to corporate wealth for their employment.—Hon. Wm. H. Taft, at Cooper Union, New York City.

Our aim should be to preserve the policy of a protective tariff, in which the nation as a whole has acquiesced, and yet wherever and whenever necessary to change the duties in particular paragraphs or schedules as matters of legislative detail if such change is demanded by the interests of the nation as a whole.—President Roosevelt at Minneapolis, Minn., April 4, 1903.

The effect of the organization of labor, on the whole, has been highly beneficial in securing better terms of employment for the whole laboring community. I have not the slightest doubt, and no one who knows anything about the subject can doubt, that the existence of labor unions steadies wages.—Hon. Wm. H. Taft, at Cooper Union, New York City.

\* \* Because there are men prominent in the business world who are forgetful of the privileges granted them, and of their relations to their fellows, there is no occasion for indiscriminate condemnation.—Postmaster-General Cortelyou, to Young Men's Republican Club, at Grand Rapids, Mich., Feb. 12, 1906.

The Republican party is not only rich in men, but rich in practical and beneficent principles—it is rich too in its record, in promises performed and pledges fulfilled, and so we are for party and party principles first and will acquiesce in the choice of the majority, rallying around the standard bearer who will carry us again to victory.—Hon. James S. Sherman.

All the prosperity enjoyed by the American people—absolutely all the prosperity, without any reservation whatever—from the foundation of the United States Government down to the present time, has been under the reign of protective principles; and all the hard times suffered by the American people in the same period have been preceded either by a heavy reduction of duties on imports or by insufficient protection, thus refuting all free-trade theories on the subject. As I desire my native land to be on the apex of prosperity, rather than under the heel of hard times, I am a protectionist.—David H. Mason, in the American Economist.



## DEPARTMENT OF STATE.

### **Work of the Department of State, 1897-1908.**

Within the last ten years the United States has assumed far greater power and significance among the countries of the world. There has been a great increase in the number of our people who travel abroad, and an enormous increase in the number of people of other countries who are annually coming here. Our citizens are going to other countries and are investing their money there. In Latin America alone there is invested over a billion dollars of American money. The United States has today many new and significant points of contact with the world that were unknown or at least unimportant a few years ago. All these changed conditions and closer relations with other countries and peoples throw upon the Department of State an enormous amount of work. It is no exaggeration to say that the work of that Department today is at least eight times as great as it was ten years ago.

Consideration of the series of important events in the Orient, the open door policy in China, the insistence upon Chinese territorial and administrative entity during the Boxer trouble, the settlement of the Panama Canal question, the growth in the authority and recognition of the Monroe Doctrine after Mr. Hay became Secretary of State, the expansion of foreign markets for American goods, Secretary Root's efficient support and emphatic insistence upon the application of the principle of international arbitration in a practical way to disputes between nations, the great improvement brought about by him in the diplomatic and consular service, and the closer relations between the United States and Latin America, will show in what directions have been our greatest activities and achievements in the world of diplomacy, and what they are likely to be in the immediate future. No period in the history of the nation has been richer in diplomatic triumphs of an important and far-reaching character than the last ten years.

### **Settlement of Large Claims of American Citizens against Foreign Governments.**

During the administration of Presidents McKinley and Roosevelt there were collected and settled through the Department of State and its representatives abroad claims of American citizens against foreign governments amounting in the aggregate to the enormous sum of \$27,546,892.28. This record illustrates and marks one of the greatest practical achievements of our diplomacy.

Equal in importance with the practical pecuniary triumph and of the vast sum of money gained through the medium of pacific adjustment for American claimants was the great gain in international good feeling due to the settlement of the many disputes of long standing growing out of these claims.

### **Many Important Treaties Made.**

The record of the Department of State in the matter of treaty making during the last ten years is a noteworthy one. The treaties range in subject from the settlement of claims of private citizens to the control and construction of the Panama Canal and the settlement of the fisheries controversy with Great Britain, which has extended over nearly a century.

Among the more important of these compacts are those providing for the extradition of fugitives from justice, the list including conventions with Belgium, Bolivia, Brazil, Chile, Denmark, Great Britain (a supplementary treaty extending the catalogue of extraditable crimes), Guatemala, Mexico (with which



power also a supplemental agreement was concluded adding bribery to the list of extraditable crimes), Peru, Servia, Switzerland, and the Netherlands.

This series of treaties, together with the extradition convention preceding it and with pending negotiations, closes the doors of almost all the civilized nations of the world against fugitives from justice of the United States.

Other treaties of marked importance are the peace protocol and peace treaty with Spain, of August and December, 1898, respectively; the cession of outlying islands of the Philippines; the real and personal property convention with Great Britain, providing for the holding and disposition of real and personal property of aliens by will and deed on a liberal basis; a treaty with Guatemala to the same effect; trade-mark conventions with Japan and Guatemala, securing equal protection with that afforded native subjects and citizens; a temporary arrangement of the disputed Alaskan boundary question in October, 1899; the appointment of a joint commission to consider for settlement questions at issue between the United States and Great Britain respecting Canada; the adhesion of the United States to the additional articles to the Red Cross convention; the articles concerning naval warfare—a great humanitarian gain; the adhesion of this Government to the International Convention of Brussels of 1899, for the regulation of the importation of spirituous liquors into Africa; the canal protocols of December 1, 1900, with Costa Rica and Nicaragua, providing a means of agreement for the construction and control of an inter-oceanic canal by the Nicaragua route. From 1898 to 1909 reciprocal commercial arrangements were entered into with France, Germany, Italy and Portugal, under section 3 of the tariff act of Congress of 1897, and in 1899 the United States participated in and became a party to the Hague Conventions, for arbitration of international disputes, for regulating war on land, for regulating maritime warfare, and the declaration to prohibit for five years the launching of projectiles and explosives from balloons, and other new methods of a similar nature.

During the past ten years numerous claims of private citizens have been settled by special negotiations between our own Government and those against which the claim was preferred, the foreign governments concerned being Guatemala, Haiti, Mexico, Nicaragua, Peru, Salvador, Santo Domingo and Venezuela, while by the treaty of March 24, 1897, the Chilean Claims Convention of August 7, 1892, was revived and additional claims adjusted. It is hardly necessary to add that this Government bore a most material share in the settlement of the international difficulties in China after the Boxer revolutionary movements, culminating in the final protocol of September 7, 1901.

It may be noted here that this Government has recently given evidence of its friendship for China by legislation which authorizes the remission of all punitive damages for the Boxer rebellion of 1900 and the reduction of the indemnity bond, given by China to the United States after that rebellion, from \$24,000,000 to \$13,000,000. This is also an exhibition of that spirit of justice and fair dealing that has characterized the international relations of the United States during the past ten years.

#### **Treaties Negotiated During the Administration of President Roosevelt.**

Among the proclaimed treaties the more important are the Hay-Pauncefote treaty (second) of November, 1901, to facilitate the building of the Panama Canal; the canal treaty with the Republic of Panama; the Alaskan boundary treaty; the Pious Fund arbitration treaty; the treaty of friendship with Spain; the commercial treaty with China and extradition treaties with Belgium, Denmark, Guatemala, Mexico (supplementary), and Servia; the series of arbitration treaties; the treaty for the settlement of the Northeastern Fisheries question; and the *German and French* commercial agreements, by which threatened *tariff wars* were averted by mutual concessions made under the *authority given to the President in the third section of the Ding-*

ley Tariff Act. The supplementary extradition treaty with Mexico is specially noteworthy as providing for the extradition of bribe givers and bribe takers, the crime of bribery being thus added to the existing list of extraditable offenses.

The Hay-Pauncefote treaty (of November 18, 1901) by repealing, or rather by superseding, the Clayton-Bulwer treaty (of April 19, 1850) cleared the way for direct negotiations for the construction of an interoceanic canal. Immediate advantage was taken of this fact and the Hay-Herran canal treaty was concluded January 22, 1903, but subsequently rejected by Colombia.

The Panama treaty (November 18, 1903) followed, and was proclaimed February 25, 1904, assuring the construction of a canal.

The Alaskan boundary convention (January 24, 1903) provided a tribunal by which the last important question at issue between Great Britain and the United States was satisfactorily adjusted almost entirely in accordance with the points claimed by our Government, one of the British members of the tribunal participating in the decision so largely in accordance with our contention.

The treaty with Mexico for the arbitration of the Pious Fund claim is distinguished not only as providing for the settlement of an important question long open, but also as submitting the first international case to the Permanent Court of Arbitration at The Hague. By a later international agreement this Government participated in a convention for the submission to the same tribunal of the question of preferential treatment of recent claims against Venezuela.

In addition to the commercial treaty with Cuba, by which preferential benefits are secured to both contracting governments, an agreement providing naval and coaling stations for ships of the United States has been concluded and proclaimed, as well as two others—one respecting the status of the Isle of Pines, and the other defining our relations with Cuba.

The commercial treaty with China contains several very important provisions, besides a satisfactory tariff schedule. The Likin tax (the collection of a tax on goods in transit within the Empire) is abolished; revision of Chinese mining regulations is secured; protection in the use of trade marks and ownership of patents is stipulated; a uniform national Chinese coinage is projected; but more important than all, two new ports are opened to foreign trade in China, namely, Mukden and Antung, in Manchuria, with the result not only of strengthening American policy of the open door, but also that of maintaining Chinese jurisdiction in the territory, and tending to the integrity of China.

Three agreements with Spain have been perfected, that of July 3, 1902, reestablishing friendly relations and containing the provisions general in treaties of friendship—trade, residence, property and testamentary rights, diplomatic and consular privileges, etc. Another (January to November, 1902), by exchange of diplomatic notes, restores the international copyright agreements; while another, earlier (August to November, 1901), by exchange of notes and a joint declaration, facilitates the exchange of letters rogatory between Porto Rico, the Philippine Islands and Spain.

Other treaties are, a consular convention with Greece (November, 1902); a trade-mark agreement with Germany for Morocco; the reciprocal commercial agreement with France (August 20, 1902) under section 3 of the existing tariff act; treaties for the settlement of claims with Venezuela, the Dominican Republic, Salvador, and Brazil; naturalization with Haiti; import duties and light and harbor dues in Zanzibar; treaties with Luxemburg and Roumania for the protection of trade marks; extradition treaties with Cuba, Panama, Haiti, Denmark, Japan, Great Britain, Nicaragua; a copyright treaty with Japan; a treaty with Great Britain for surveying and marking the Alaskan Boundary; conventions with Mexico for an equitable distribution of the waters of the Rio Grande; conventions for the amelioration of the wounded in armies in the

field and for the exemption of hospital ships in time of war from payment of harbor dues; a treaty for the establishment of an international Institute of Agriculture at Rome; treaties of arbitration with France and other powers.

#### Work in the Interest of International Peace.

Upon the initiative and through the mediation and powerful influence of President Roosevelt the Envoys of Russia and Japan were brought together on the 5th of August, 1905, on the neutral and friendly territory of the United States and the war between the two nations—the greatest war of modern times—was brought to an end by the treaty of peace signed at Portsmouth on the 5th of September, 1905.

When the dispute between Germany and France regarding the right of control in Morocco threatened to involve all Europe in war, and a conference was called at Algeiras on January 16, 1906, to consider the various questions, the active influence which its own disinterested position enabled the United States to exercise, both directly and through its representative at the conference, played a great part in bringing about the peaceful solution reached on April 7, 1906, after a session of three months. The German Minister for Foreign Affairs testified in the Reichstag to the work of the representative of the United States at that conference in the following words:

"I wish to avail myself of this opportunity to declare that we have reason to be grateful to America for its attitude at the conference. \* \* It maintained its neutral position throughout, but its distinguished and highly respected representative, Mr. White, omitted no opportunity to remove difficulties and to aid toward an agreement which should be satisfying to all the parties in interest. That was a great service which America rendered to the peace of the world, because the failure of the conference of Algeiras would not only have broken the relations between Germany and France, but would have disturbed the general political situation of the world. \* \* \* This was the second great service which America rendered to the peace of the world, the first being the reestablishment of peace between Japan and Russia."

The United States and Mexico have been cooperating to bring about better conditions which would put an end to all discord and restore peace and prosperity in Central America. At the instance of the United States and Mexico a Peace Conference of all the five Central American countries was held in Washington in November and December, 1907, and at this conference, which was attended by representatives of the United States and Mexico, a series of treaties was made of the greatest practical importance, among them being a treaty which provided for a permanent international court for the trial and decision of all questions whatever arising between Central American countries. This court has just been inaugurated in Costa Rica. A long step has been taken in the direction of prosperity and peace in Central America and the United States has won the gratitude which is freely expressed by the good and peaceful citizens of all those countries.

#### International Arbitration.

The administrations of McKinley and Roosevelt have been distinguished by the efforts put forth to promote peace among the nations and alleviate the evils of war.

President McKinley was active in seeking to have incorporated into international law the principle so long advocated by our country of the exemption of private property on the sea from seizure during war, a measure so greatly desired in the interest of maritime commerce. He instructed our delegates to the Hague Peace Conference in 1899 to urge this principle, and when the conference decided that it had no jurisdiction over the subject he asked Congress to authorize him to bring about an international conference for the consideration of this subject and President Roosevelt has renewed the recommendation to Congress.

The United States was among the first of the Powers to respond favorably to the request of the Emperor of Russia in 1898 for a peace conference. One of the few practical results of that conference was the arbitration convention, which was brought



about mainly by the efforts of the American delegates. President McKinley had the honor of sending to the Permanent Arbitration Court established by that convention the first case ever submitted to it.

A notable opportunity was presented to President Roosevelt in 1903 to show his faith in international arbitration and in the efficacy of The Hague court. He was called upon by Great Britain, France, and Italy to arbitrate their differences with Venezuela, a distinguished mark of confidence in his ability and impartiality. But he declined the honor and referred the warring powers to the Permanent Arbitration Tribunal as the proper place to adjust their controversy.

The delegates of the United States to the Pan-American Conference of the American Republics, which met in the City of Mexico in 1901-2, were prominent in the adoption of a number of conventions and agreements for the better regulation of the commerce and intercourse of the American states, and among these was a convention for the settlement by arbitration of claims not susceptible of diplomatic arrangement.

But while President Roosevelt has committed himself so heartily to international arbitration, he recognizes that there are some political questions which may not be proper to submit to such an adjustment. The Alaskan boundary had in recent years become a matter of serious controversy, and stood as an obstacle to the maintenance of peaceful relations with Canada. In view of our long and undisputed occupation of the territory in question the President declined to allow the reference of the controversy to The Hague court, but instead he proposed the creation of a judicial tribunal of an equal number of members from each country, feeling confident that our claim would be established by such a body. Against much opposition and prediction of failure such a tribunal was created, and its decision has happily confirmed the wisdom of the President's action, peacefully settled this irritating controversy, and restored good relations with our northern neighbors. It has proved one of the most notable diplomatic triumphs of our Government.

With the active participation of the delegates of the United States, the Second International Peace Conference at The Hague in the summer of 1907 entered into agreements which constitute one of the greatest advances ever made towards the reasonable and peaceable regulation of international conduct. Twelve treaties agreed upon at that Conference, all designed for reducing the probability or mitigating the horrors of war, have been approved by the Senate and ratified by the President of the United States. Important among these treaties was the agreement proposed and urged upon the Conference by the United States, under which all the civilized powers agree not to use force for the collection of contract debts claimed by their citizens against other countries, so long as the alleged debtor seeks the protection of arbitration as to the justice and the amount of the debt or time and mode in which it ought to be paid.

Following the action of The Hague Convention in providing greater facilities for the use of the Permanent Court of Arbitration at The Hague, the United States has concluded general treaties of arbitration with England, France, Spain, Portugal, the Netherlands, Denmark, Sweden, Norway, Switzerland, Italy, Mexico, and Japan, while many other similar treaties are in course of negotiation. Under the general treaty with Great Britain the two countries have agreed to arbitrate before The Hague Tribunal the difficult and vexatious questions which for more than a century have caused so much ill-will and controversy regarding the rights of our fishermen in the fisheries on the coasts of Newfoundland and the maritime Provinces of Canada.

Negotiations for the settlement of the various controversies with Canada have been undertaken and great progress toward the complete settlement of the controversies has been made. The Surveyors appointed by the two countries have nearly completed the marking of the boundary of Alaska in accordance with the decision of the Tribunal of 1903, a new treaty has been made for the adjustment of all other questions relating to the

determination of the boundary from the Atlantic to the Pacific, the Northeastern fisheries question is about to be disposed of by an agreement for arbitration under the general treaty, a new treaty has been made for the making and enforcement of joint regulations for the preservation of the food-fish supply in all the boundary waters, including both the Great Lakes and the Atlantic and Pacific waters, and a treaty has been made giving reciprocal rights for the conveyance of prisoners across each other's territory and the rights of wrecking and salvage in each other's waters.

The questions between Japan and the United States which caused so much public excitement in 1907 have been disposed of to the satisfaction of the people of both countries. The San Francisco school question has been settled pursuant to an understanding with the San Francisco School Board; the immigration of Japanese laborers is being regulated by the concurrent action of the President, under authority conferred upon him for that purpose by the Congress, and of the Japanese Government. The friendship and sympathy between the two Governments have now been signalized by the general treaty of arbitration concluded between them; by treaties for the protection of copyrights and trade-marks in China and Korea; by the invitation and acceptance of the invitation for the visit of our fleet to Tokyo and by the response of the United States to the invitation of Japan to participate in the great exposition which is to be held at Tokyo in 1912, for which Congress has authorized the expenditure of one million and a half of dollars, the greatest sum ever appropriated for a foreign exposition.

The United States has secured the assent of all the nations having possessions in the Orient to a united effort with China to put an end to the curse of opium in the Orient and an international conference under the leadership of the United States has been agreed upon to meet at Shanghai on the first of next January for the purpose of devising and formulating an international agreement to prevent the production, sale, and use of opium.

#### **Visit of the Secretary of State to South America and Mexico.**

In August, 1906, the participation of the United States in the Pan-American Conference at Rio de Janeiro and the visit of Secretary Root to that Conference and to all the principal maritime countries of South America put an end to the suspicion and distrust with which the growing power of the United States was regarded by the Latin-American races, and began a new era of friendship and sympathy between all the American Republics. This has been followed and added to by the Secretary's visit to Mexico as the guest of the Mexican Republic of October, 1907, and by the visit of the American fleet to the chief maritime republics of South America, and by the enlarged and great development of the work of the International Bureau of the American Republics for the dissemination of knowledge and the cultivation of trade and friendly relations between the different American countries, for which all the Republics are uniting in the construction of a splendid building in the City of Washington.

#### **Restoration of Peace in Santo Domingo and in Cuba.**

For many years Santo Domingo has been the scene of a series of revolutions which devastated the country, crushed out all progress, and left the Treasury in utter bankruptcy, with a host of insistent creditors, both foreign and domestic. In the face of imminent likelihood of another revolution and foreign intervention a treaty was concluded between the United States and Santo Domingo, with the approval of the United States Senate, under which, by the appointment of an American agent to collect Dominican customs revenues and apply the surplus toward the payment of the Dominican debts, complete peace has been maintained for four years past, the commerce and industry of the island have revived, the revenues have doubled and the nominal indebtedness of over \$40,000,000 has been adjusted



and settled at less than \$20,000,000, for which interest and sinking fund payments are completely assured by the revenues resulting from the new prosperity. The republic's credit has been established on a higher plane, works of internal improvement undertaken, and civil quiet and adequate revenues for the maintenance of the government assured and danger of foreign intervention removed.

In the summer of 1906, an impending civil war in Cuba led to the intervention of the United States under the wisely devised terms of the Cuban Constitution and American statutes which regulated the relations between the two countries. The opposing forces were induced to lay down their arms and return to their homes, all differences having been adjusted, a new census of the island has been taken and on the basis of that census new and fair elections are being held for the reconstitution of a Cuban Government; and the control of the island is to be restored by the United States to the real choice of the Cuban people during the coming winter.

#### The Consular Service.

Among the many notable achievements of the administration of President Roosevelt few have been of more importance to the individual American than the reorganization of the consular service and placing it upon an efficient basis.

The consular officers of no other government have such varied and important duties to perform as have the consular officers of the United States. Of these duties perhaps none are so important as those relating to the protection of American citizens and their interests abroad. Our consuls have displayed unusual ability in discharging these duties. American citizens arrested or subjected to annoyance in foreign countries have, with rare exceptions, found the American consuls energetic and successful in their behalf. In China, Central and South America the consular officers have been called upon to perform delicate and trying duties of a diplomatic character and have discharged those duties with rare tact and ability. They have cared for and sent home the bodies of Americans who have died abroad and have collected and forwarded to legal representatives in this country the property of deceased American citizens in foreign countries.

But perhaps the most significant and valuable work, in a money sense, that has been achieved by the consuls has been in the way of detecting and preventing attempts to defraud the customs. In their investigations of values of merchandise exported to the United States our consuls have shown wonderful skill and industry, and their work in the direction of preventing exporters to the United States from undervaluing their merchandise has resulted in vast increases in the customs dues collected. An approximate idea of the value of this work of our consuls may be formed when it is recalled that the work of one consular officer alone has increased receipts from customs about one million dollars a year since 1898, a total of six million dollars in six years. There are 330 consular officers who are carrying on the same kind of work. They are for the most part equally energetic and efficient, and it is estimated that fully ten million dollars have been saved to the revenues of the United States by the active, intelligent and persistent efforts of our consuls abroad. It is safe to say that this branch of our service alone has saved about ten times its total cost to the Government.

By means of a series of carefully planned instructions the department has secured a degree of cooperation on the part of consuls with Treasury officials that has hitherto been unattained.

The consuls have rendered a great deal of varied and important service to other departments of the Government than the Treasury. Acting under recent instructions our consular officers have been of great assistance to the Navy Department in the apprehension of deserters and stragglers from war vessels and colliers and are in constant communication with mer- of-war in local waters, supplying them with much valuable information.



During the war with Spain they rendered invaluable service to the Government of the United States. They formed a series of intelligent observers throughout the world and the information and reports gathered by them were often of the highest value and importance to those directing our military and naval operations.

At the instance of the Secretary of Agriculture and in pursuance of the pure food law of March 3, 1903, the Department of State issued instructions to consuls requiring prompt reports of the shipment of food products to this country. The character of these reports and the promptness of their transmission to the Bureau of Chemistry of the Department of Agriculture have been most gratifying and have to a great degree made possible an intelligent and successful enforcement of the law.

In their work in behalf of our export trade consular officers have shown themselves very efficient. In the introduction to the review of the world's commerce for 1902, it was stated by the chief of the Bureau of Foreign Commerce of the Department of State, that:

"whatever may be the defects of our consular service it is at least showing itself to be generally alert and responsive to the new conditions. The consuls have also been most active in sending reports at frequent intervals on a great variety of subjects of interest to the industrial and commercial world. A most gratifying evidence of the increasing value of the Consular Reports is found in the widespread demand for them on the part of colleges and schools as reference books in special courses of commercial instruction. In addition to the published reports, the consuls of late, by means of correspondence conducted under the supervision of the Department of State, have supplied a great mass of information to trade bodies and business firms, and in many cases have voluntarily exerted themselves in other ways to promote commercial expansion. Their efforts frequently elicit warm commendation in letters to the Department from the trade interests thus benefited, and even when a consular officer lacks other qualifications, it seldom happens that he fails to exhibit the characteristic American spirit in 'hustling' for business, not for himself, but for his country."

The activity of the consuls has been greatly stimulated by the prompter publication and wider distribution of their reports. In December, 1897, the department, discarding traditions, began the daily publication of such reports as were of current interest. The result has far exceeded all expectations and has marked a new era in the practical utilization of consular information. Our business men have been warm in their praises for it. One firm wrote the department, "attribute our having nearly doubled our foreign trade during the last three years in great degree to the light we obtained from careful perusal of these reports." A manufacturing firm said respecting the assistance derived from the reports, "the result is to-day from 30 per cent to 35 per cent of our entire product in certain lines of hardware we export."

That this method of distributing commercial information is of great practical value is also shown by the fact that it was promptly imitated in part by both Great Britain and Germany.

Undoubtedly a large part of our commercial progress in recent years is due to the keen business instinct and activity of our consular officers in pointing the way to new markets, and to a great degree is due to them the credit for the enormous increase of our exports from \$886,606,938 in 1896 to \$1,880,851,078 in 1907—over \$994,000,000 in eleven years.

The consular fees collected have increased steadily, amounting for the fiscal year ended June 30, 1906, to \$1,672,802.15. The expenditures for the consular service for the year amounted to \$1,177,635.72, making the net cost of the service only \$104,833.57.

With a view to the improvement of the consular service a law was passed by Congress and approved by the President on April 5, 1906, abolishing unofficial fees, providing all consuls with fixed salary, requiring the appointment of Americans to the more important subordinate positions, and creating a corps of inspectors to inspect each consulate every two years. On June 27, 1906, President Roosevelt issued regulations, in accordance with the laws enacted by Congress, by which the principles of civil service reform have been extended to the consular service by limiting original appointments to the two

lowest grades of the service after examination by a board of which the Chief Examiner of the Civil Service Commission is a member; requiring all the higher posts to be filled by promotion of men from the lower grades on the basis of efficiency alone; and requiring appointments to be made so as to secure proportional representation of all the States and Territories in the service. Young men of high attainments and excellent character are being appointed to the lower ranks of the service, offices are being maintained on a better scale, and in every way the organization has been vastly improved.

Our consulates are on the whole in excellent condition, both as regards the general character of the consuls and their work and their manner of performing it, and it may justly be said that we have reason to congratulate ourselves upon the personnel and efficiency of the consular service. The consular corps, which suffered great demoralization during the period from 1893 to 1897, owing to the violent, ill-judged, and wholesale removals, has been brought to its present state of manifold usefulness, cleanness, and high efficiency during the last ten years. Taken as a whole, it is composed of a higher and better type of men than it has ever before been able to enlist, and it is doing much better and more intelligent work. A few years ago our consular service would hardly have challenged the emulation of other countries. To-day it is regarded by the best authorities abroad as the most efficient organization of its kind in the world for increasing the sale of goods, for stimulating home industry and enterprise, and for informing exporters as to trade conditions in every important market of the globe.

Throughout the recent consular reform movement in England the American consular service was constantly held up as a model of what the British service should be. An English trade journal said: "The United States is ahead of the world in regard to quick consular reports." An eminent German authority on consular matters recently referred to United States consular officers as "inspectors of our exports, and vigilant sentinels who spy out every trade opening or advantage and promptly report on it." They "dive into the economic condition of their districts and obtain information the result of which is discernible in the steadily increasing exportations of their home country. \* \* \* The United States consular officers give their Government better service and better information than any on earth."

Improvements have also been made in the selection of young men for the diplomatic service by requiring them to demonstrate their fitness before a board of examiners. The principle of promotion for efficiency and merit has been consistently applied in the diplomatic service.

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The American system of locating manufactories next to the plow and the pasture has produced a result noticeable by the intelligent portion of all commercial nations.—Grant.

If we have good wages, they are better by being paid in good dollars, and if we have poor wages they are made poorer by being paid in poor dollars.—Maj. McKinley to delegation of workmen, at Canton, 1896.

We have established in the islands a government by Americans assisted by Filipinos. We are steadily striving to transform this into self-government by the Filipinos assisted by Americans.—President Roosevelt's speech accepting 1904 nomination.

We are the trustees and guardians of the whole Filipino people, and peculiarly of the ignorant masses, and our trust is not discharged until those masses are given education sufficient to know their civil rights and maintain them against a more powerful class and safely to exercise the political franchise.—Hon. Wm. H. Taft, in special report to the President.

No sophistries or subtleties can make money or create a currency which is good for one and which is not equally good for the other. The interests of labor and capital are always identical.—Hon. C. W. Fairbanks, in U. S. Senate, March 5, 1900.

## DEPARTMENT OF JUSTICE.

### **The Work of the Department of Justice.**

The effort of that portion of the administration of President Roosevelt which is under the jurisdiction of the Department of Justice has been to determine by careful and painstaking investigation whether the many complaints which have been made of the violations of Federal law were well founded, and to present such violations as were found to actually exist to the Federal courts so that exact justice might be done; that no violator of the Federal statutes might escape due punishment; but at the same time that frivolous and unfounded prosecutions might be avoided and that the machinery of the Federal power might not be used to further the end of private litigants. The success of certain proceedings against persons and corporations for acts in restraint of trade forbidden by the Sherman Act, so-called, naturally led to appeals to the Department of Justice for Federal procedure in a very large number of cases, and the work of the Department of Justice has been as largely in determining which of such complaints indicated actual violations of the law as in prosecuting offenses found to have been committed. There has been a uniform application of the rule that proceedings should only be brought when some public interest was involved or some public benefit to be secured. The Department has been careful to see that no litigation has received its sanction, or been participated in by the Government, in which the foregoing was not the fact, and has been interested only in an impartial and vigorous prosecution of this law and other Federal statutes.

### **Prosecutions Under Sherman Act and Interstate Commerce Laws.**

It has been the duty of the Department of Justice to defend the soundness of the position taken by it in matters relating to prosecutions under the Sherman Anti-Trust Act, so-called, and also under the Interstate Commerce Act, by carrying proceedings thus inaugurated through the various courts and to a final determination in the Supreme Court of the United States. It has been the constant endeavor of the Department to have the material questions involved settled as soon as practicable, and to this end it has moved to advance cases, and has been insistent upon the prosecution of the various appeals and intermediate steps involved. The result has been a definition by the Supreme Court of many aspects of the Sherman Law, and a series of decisions under which further proceedings in enforcement of this law can be taken with reasonable hope of success; the facts in each case being determined by a thorough, and frequently expensive, examination by the Department of Justice.

*The Details of the Work of the Department of Justice in the Enforcement of Law with Reference to Corporations will be Found Under the Chapter Entitled "Regulation of Corporations."*

### **Enforcement of the Naturalization Act.**

Among the several recent salutary Federal enactments standing to the credit of the Republican administration of national affairs is the Naturalization Act, which went into effect June 29, 1906. The terms of this Act provide for representation of the United States at hearings held for the purpose of determining the suitability of aliens for admission to American citizenship. The duty of representing the United States in this important function devolves upon the Department of Justice, and, as a mere



*pro forma* appearance without knowledge of the facts in each case, except as they appeared in court, would be of little value, a system of examination has been developed under the Department of Justice by which every application for naturalization is effectively scrutinized. The great boon of American citizenship should not, it is agreed, be conferred except upon those who are worthy of the privileges it bestows and who can make an adequate return in the character and quality of their acts as citizens, for the confidence which they have enjoyed. It is recognized that the best cure for undesirable citizens is to apply such tests as will develop the fact of their undesirability before they have been added to the voting strength of the country. In their examination of the claims of aliens for citizenship, the officials of the Department of Justice have not only been able to secure the rejection of the applications of undesirable persons, but they have been able to assist in the naturalization of aliens whose addition to the body politic is desirable, and they have also been able to secure the cancellation of certificates of naturalization formerly obtained by aliens before the present law went into effect. Too high an estimate cannot be put upon the value of a careful scrutiny and examination of applications for naturalization. Many of the ills which threaten the political, social and economic affairs of the United States at the present time may, in all probability, be checked by the denial of citizenship to those who, from ignorance, imperfect training or perverted views, are likely to become additions to ignorant, venal, or vicious classes of voters constituting a constant temptation to undesirable political methods from the fact that they cannot be swayed by those considerations and arguments which are successfully addressed to the reason of the thousands of naturalized citizens now fully in accord and sympathy with the aims and objects of the Government of the United States. To these the new naturalization law and the work of the Department of Justice as a means of assistance in securing American citizenship are guaranties that such citizenship, once attained, will not be cheapened and depreciated by a too easy access under unfair, unequal, and inequitable conditions.

#### Ended the Lottery Swindles.

The Administration of President Roosevelt has seen the final destruction of the lotteries which had for years been, in the opinion of the large majority of the people of the United States, a great national evil. Although legislation was passed in 1895 intended to eradicate this immorality, by reason of delays incident to litigation and to various evasions, on the part of those interested in the lottery business, the Government was not able until 1903 to put effective measures into operation for the termination of the illegal transactions involved. In 1903 a favorable decision was secured from the Supreme Court and until 1907, one device after another was disclosed by the active investigations of the Secret Service, and terminated by prompt and vigorous prosecutions by the Department of Justice, until, in May of the year last mentioned, complete cases were made against the officers of the Honduras National Lottery Company, the successor of the Louisiana State Lottery Company. The interests involved, for the first time, acknowledged their defeat, and without contesting the cases, pleaded guilty, paid fines aggregating \$264,700, and agreed to go out of business and surrender all of the paraphernalia of the Company to the Government for destruction. This was the company which had been doing the very large proportion of the lottery business in the country, and which had been able, by various secret devices, to continue in business, although at a constantly increasing expense and risk. The result of this successful prosecution terminated the last of the lottery operations, which had a widespread field, and the warfare of the administration has ended in a complete victory over the chief organization conducting such a business, an organization which at one time deemed itself almost impregnable on account of the resources and influence of the persons interested.

**Enforcement of the Land Laws.**

The vigorous and impartial enforcement of the land laws of the United States which has marked the present Administration has been, and is being, carried on without cessation, and every means at the disposition of the Government is being utilized to recover lands fraudulently obtained from the United States. As a result of the proceedings so far completed, \$502,736.92 has been recovered in judgments, \$57,587.37 in fines, and 1,177,836 acres of land have been returned to the public domain, while the amounts in lands and money involved in proceedings now pending will far exceed the figures above given. In four cases in Colorado demurrers as to indictments were sustained by the lower court and appeals from this decision will be taken to the Supreme Court under a law passed by a Republican Congress giving the United States a privilege not previously possessed by it of taking appeals in criminal cases on points of law. While the tendency of these appeals has the result of temporarily postponing the trial of criminal proceedings in some cases, active litigation is being carried on wherever civil suits are deemed to be desirable to recover lands alleged to have been fraudulently secured from the United States. Safeguards to the acquirement of the public lands have been increased, so that adequate returns are being secured and will be secured hereafter from all those who acquire public lands from the United States.

During the past two years, the Department of Justice has been engaged in the active investigation of the rights and responsibilities of the holders of the titles of lands involved in certain railroad land grants in the Northwestern States. The Oregon and California Railroad Company, among others, was granted certain tracts of land in aid of its railroad under conditions that it should sell the land thus granted to bona fide settlers in tracts of not more than 160 acres at a price not to exceed \$2.50 an acre. Complaints were made to the Department that the Company had refused to sell a certain portion of this land according to the terms of the grant, and that it had sold other portions in larger tracts and for greater sums than above named. In order to properly test the rights of the Government and the duties of the holders of the lands it became necessary to secure from the Congress certain additional legislation which was promptly passed by virtue of the Republican majority in both Houses and ample authority given the Attorney General for a thorough test of the many difficult questions involved. At the same time, it is proposed that these proceedings shall be conducted so that there shall be no serious disturbance of commercial and industrial conditions within the States in which these lands lie.

**Proceedings Against Peonage.**

Commercial greed is not localized, but it may be noted that in certain States which have been dominated by political tenets opposed to the doctrines of the Republican party, a peculiarly obnoxious form of this vice has been stimulated by legislation. In the solid South, so-called, it has been possible, by reason of State statutes on the subject of personal debts, to hold large numbers of people to enforced labor with the result, as shown by developments in courts of justice, that men, women, and children have been reduced to and kept in that condition of slavery known as peonage, a condition involving evils as great as those involved in chattel slavery, even though the characteristics of the two forms of bondage are not identical. The slavery which has been found to exist is not confined to persons of the negro race, but has included a large number of white persons, many of whom are alleged to have been decoyed into the localities where peonage was practiced by false promises and representations. Under sections 5525 and 5526 of the Revised Statutes, constituting holding in slavery or peonage an offense against the laws of the United States, and in consequence of the numerous complaints received, the Department of Justice has, during the present administration, undertaken a thorough investigation of the conditions obtaining in various forms of labor and industry in remote portions of certain Southern States, with the result that,



as a consequence of the agitation produced, and the prosecutions sustained in the Federal courts, this evil has been substantially checked and a healthful public opinion created in the direction of the repeal of the laws under which peonage became possible.

In connection with the investigations into the facts surrounding conditions of peonage, it has been developed that this offense against the Federal laws has gone hand in hand with violations of the contract labor laws, and that a systematic importation of aliens had found its outlet in the utilization of labor thus imported under conditions which resulted in the forcible restriction of aliens within labor camps and charges against them of indebtedness for current support which, added to the cost of their passage to this country, made a sum total which it was almost hopeless that they should discharge. While it is true that it has not been possible to obtain convictions on some of the indictments which have been secured, this failure has been, in large part, due to local influences and circumstances and the result of the convictions which have been obtained was a wholesale release of persons who had been held to involuntary servitude under the plea of requiring them to pay their debts, such debts, it must be remembered, being frequently made up of exorbitant and unjust charges. This method of securing labor has been effectively restricted, if not wholly suppressed, by the activity of the Administration, and the investigations and efforts to punish those involved in these infractions of the Federal laws are being continued and will be continued by the present Administration.

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The national credit is of too paramount importance and nothing should be done to tarnish or impair it.—Hon W. McKinley, in House of Representatives, April 15, 1878.

I am President of all the people of the United States, without regard to creed, color, birthplace, occupation, or social condition. My aim is to do equal and exact justice as among them all.—President Roosevelt, in a statement to executive council American Federation of Labor, Sept. 29, 1903.

A railroad company engaged in interstate commerce should not be permitted, therefore, to issue stock or bonds and put them on sale in the market except after a certificate by the interstate commerce commission that the securities are issued with the approval of the commission for a legitimate railroad purpose.—Hon. Wm. H. Taft, at Columbus, Ohio.

Passed at the instance of Mr. Roosevelt, it (the Rate law) stands as a monument to the principle which he has incessantly maintained in speech and action, that the laws must be so made that they can be enforced as well against the sins of the wealthy and the powerful as against those of the poor.—Hon. Wm. H. Taft, at Columbus, Ohio.

Mr. Bryan asks me what I would do with the trusts. I answer that I would restrain unlawful trusts with all the efficiency of injunctive process and would punish with all the severity of criminal prosecution every attempt on the part of aggregated capital through the illegal means I have described to suppress competition.—Hon. Wm. H. Taft, at Columbus, Ohio.

You must face the fact that only harm will come from a proposition to attack the so-called trusts in a vindictive spirit by measures conceived solely with a desire of hurting them, without regard as to whether or not discrimination should be made between the good and evil in them, and without even any regard as to whether a necessary sequence of the action would be the hurting of other interests.—President Roosevelt at Cincinnati, Sept. 20, 1902.

Every one who knows anything about the management of railroads knows that there has been a revolution in respect to their obedience to the law. No longer are special privileges granted to the few—no longer are secret rebates extended to build up the monopoly of the trusts. The railroads are operating within the law, and the railroad directors and officers and stockholders ought to rise up and call blessed the men who are responsible for the passage of the Rate bill.—Hon. Wm. H. Taft, at Kansas City, Mo.

It would be hard to find in modern times a better example of successful constructive statesmanship than the American representatives have given to the Philippine Islands.—President Roosevelt at Providence, R. I., August 23, 1902.



# THE WAR DEPARTMENT.

## ITS EFFICIENT AND ECONOMICAL ADMINISTRATION.

### Splendid Record of the Army as Military and Civil Public Servants, Pioneers, and Humanitarians.

The events of the past decade have brought the War Department into great prominence. The war with Spain and conditions growing out of it enormously enlarged the duties of this Department, thrusting new and unusual responsibilities upon it and widening the field of its operation until it now extends more than half-way around the world—from Cuba and Porto Rico off our Atlantic seaboard to the Philippine Islands on the other side of the globe, 8,000 miles from our Pacific coast.

The work of the War Department throughout all this history-making period has been tremendous in mass, varied and exceptional in character. The armies of the United States from Valley Forge to Santiago have been the bulwark of the nation, and their historic deeds are cherished with pride by every American heart. In the winning of the great West the army bore a memorable and indispensable part. By its achievements in the Philippines, in Cuba and in Porto Rico, where it served first as soldiers and afterwards as civil administrators, it has added a brilliant and unique chapter to our annals. How the duties and responsibilities of this trying epoch have been met and discharged by the War Department and the Army, what splendid work our soldiers have done for humanity and the flag, and what improvements have been made in the military service to strengthen the country's defenses and its preparedness for war, it is the purpose of this chapter briefly to describe.

### The War with Spain.

Just prior to the outbreak of the Spanish War the strength of the regular army was about 26,040 enlisted men and 2,143 officers. Under the President's first and second calls for troops in April and May, 1898, the strength of the army, including regulars and volunteers, was quickly increased to 11,108 officers and 263,609 enlisted men. Meanwhile, before it moved as an army, the war with Spain had practically been ended with an invading army or expeditionary force of less than seventeen thousand officers and men, who had become master of the Island of Cuba, though there were stationed on the island at that time 80,000 veteran Spanish soldiers, who, according to the principle of the survival of the fittest, were regarded as the hardened remnants of the army of 210,000 men which Spain had sent in the attempt to dominate Cuba.

### Difficult Tasks Following the War with Spain.

The war with Spain ended, the next three years under President McKinley were marked by the most extraordinary conditions involving careful and arduous administration of the War Department. Instantly, without preparation, design, or desire the United States as a conquering nation had become suddenly saddled with the duty of governing three different sections of foreign countries, disconnectedly situated in two hemispheres, and which, by reason of their different peoples and varying traditions and customs, presented political problems and complications unparalleled in the history of the world.

In meeting this emergency the President found himself charged not only with the constitutional powers of the executive, but charged also by the peculiar nature of the newly developed conditions with the obligations of all three of the usually divided duties of state—the legislative and judicial in addition to the executive. His Secretary of War had then

necessarily to be a man capable of acting for him in the immediate supervision of all military affairs, for in the beginning of the government of the newly acquired territory the War Secretary was not only required to frame and prescribe the laws, but was called upon likewise to interpret and enforce them.

In the beginning of the new and anomalous conditions that prevailed, the Secretary of War was virtually the framer of three separate governments for three different alien people, a task so well accomplished that in a little more than three years the Cubans were enabled to hoist their own flag as a separate and independent nation, while the Porto Ricans and the Filipinos were quickly permitted to enjoy civil forms of government with only a mere fractional element of military control, without the cost of a dollar to the United States Treasury except for the money paid in salaries to Federal officers.

#### **The Work in the Philippines.**

After the close of hostilities with Spain it became necessary to deal with the insurrection in the Philippine Islands, which continued with unvarying success on the part of the United States troops until the Filipino insurgents dwindled into mere bands of guerillas, who finally gave up their arms and surrendered when, on March 21, 1901, Aguinaldo was captured.

There is no prouder or more honorable page in the history of our army than that covering the period of its suppression of the Filipino insurrection. Although the campaign against the organized Filipino troops was swift and short, lasting only about a year, the guerilla warfare that ensued carried on by the various bodies of insurrectos of the different parts of the islands, covering an extensive area of operations, required a degree of zeal and labor on the part of our army seldom, if ever before, experienced by any military troops in the civilized world. Scattered over the vast expanse of territory our seventy thousand soldiers that were at one time in the Philippine Islands were distributed at nearly six hundred stations; large pursuing columns were also undergoing untold hardships, generals and private soldiers all alike without regard to rank for a great part of the time carrying their own rations and possessing no other camp equipage than the half shelter tent or rubber blanket carried on the person. It is difficult to convey any adequate idea of the extent of these military operations in the Philippines or the strain upon the physical endurance of our soldiers, who for the first time in the army's career were experiencing the sickening and debilitating service in the tropics, marching over flooded rice fields, wading through dangerous swollen streams, crossing angry rivers on improvised rafts, often under hostile fire—all this without the usual place of rest in camp, without shelter from rain or sun, and often without cooked food.

Wherever the permanent occupation of our troops was extended in the Philippine Islands civil law was quickly put in force, courts were organized, and the most learned and competent native lawyers appointed to preside over them. A system of education was introduced in 1899, and in that year the Secretary of War reported to Congress that a greater number of good schools, offering facilities for primary instruction, then existed in the Philippines than at any previous time in their history.

#### **China Relief Expedition.**

In June, 1900, conditions became so seriously threatening in China that the United States, though reluctant to take any intrusive part in the affairs of that vast country, was compelled to send a regiment of United States infantry from Manila, with suitable transportation, medical officers, and rapid firing guns, under instructions to the commanding officer to confer with the Admiral commanding the American fleet at Tak and to report to the United States Minister at Pekin.



such duty as might be deemed necessary in the protection of the lives of American citizens in China. Not only had the United States Legation at Peking been attacked, together with the Legation buildings of other powers, but the United States Legation, together with those of other foreign powers, were actually besieged and the German Ambassador at Peking was reported to have been murdered. It was at this time that the second combined expeditionary force to Peking became necessary, forming an allied army of all the great powers and including our own military force under command of Major-General Chaffee, ordered there to protect our citizens and our Legation against the murderous assaults of the so-called "Boxers," whom the Chinese government had acknowledged and proved itself utterly unable to control or subdue. The splendid results that followed this display of American force and the assertion of the right of the United States to participate with the great powers of the world in Oriental matters have all become a part of the history of the country. The total military strength of the expedition in China numbered 435 officers and 15,018 enlisted men, besides 2,000 marines.

**Telegraph and Cable Lines Constructed by the Signal Corps in Cuba and the Philippines.**

Upon entering the Philippine Islands the American army found practically no telegraph lines in existence. The few land lines that had been constructed in the Visayan Islands, were early destroyed by the natives, as were many of those in Luzon during the retreat of the insurgents. Immediately flying lines were laid to follow the advance of the troops, and these were succeeded by permanent lines built and repaired under the most trying circumstances through an unknown country, generally devoid of roads, and where the trails through the jungle, difficult at all times, were almost impassable during the prolonged storms of the rainy season.

Added to these difficulties were the incessant efforts of the insurgents to interrupt communications; their persistent and annoying attacks, and frequent ambushes of small parties which cost the lives of many valuable men.

In addition to the construction of over 5,000 miles of land lines in the Philippine Islands, the army was early confronted with the problem of laying and maintaining a system of inter-island cables, which, following the rapid advance of American troops and the extension of American ideas, could alone furnish the means by which military operations and civil control could be executed amidst the islands ceded by Spain to the United States. As a consequence, the signal corps of the army was called upon to enter a new field of endeavor. It was compelled to fit up for sea service and to maintain cable ships and smaller boats; to have manufactured in accordance with its own specifications, and to inspect, hundreds of miles of deep sea and other cables; and finally to lay and operate these cables in the then almost unknown waters of the Philippines. All of this was effectively accomplished and there is hardly a section of the world where so intricate a network of submarine telegraph exists.

The lines of communication embraced 5,108 miles of permanent land lines and 1,326 miles of submarine cables; a total of 6,434 miles of telegraph, telephone, and cable communication in regions where for the most part the telegraph had therefore never been seen. The extension of this telegraph system in three years of American occupation was far greater than it was during the entire previous period of Spanish occupation.

Upon the occupation of Cuba by the American Army, January 1, 1899, the old telegraph system was found to have almost disappeared. It therefore became one of the most important of the early duties of the army of occupation to build or restore *the lines, so that the first duty of the Signal Corps was to provide communication between division headquarters and the various posts, garrisons, camps, and important cities. Afterwards the task of constructing this system from one end of Cuba*



to the other was undertaken. By April 1, 1899, there was completed a system of 2,500 miles, equipped with modern appliances and latest methods and consisting of nine lines which crossed the island from north to south, and one trunk line running through the center of the island from Pinar del Rio, in the west, via Habana and Santiago, to Baracoa, in the east. The central line from Habana to Santiago, completed in about three months, was a work of the greatest importance to Cuba, which the Spaniards had apparently never even ventured to undertake. The Commanding General in Habana had communication with every point of importance in Cuba, and the various camps and garrisons had been provided with their local systems of communications. At the time of the transfer of affairs to the Cuban Government, May 20, 1902, this stable and permanent system had been extended from San Juan y Martinez, at the western end of the island, to Cape Maisi, on the extreme eastern end, embracing 3,500 miles of wires and giving communication to every town, city, or seaport of importance in Cuba.

#### **Reduction of the Army.**

Active military operations on the part of the United States having been completed, the War Department proceeded immediately to the reduction of the military establishment. The provisions of the Acts of Congress of April 22nd and 26th, 1898, providing for the increase of the army in the beginning of the war with Spain, required that at the end of the war the entire volunteer force should be discharged from further military service and the army reduced to a peace basis. Thus it became necessary four months after its mobilization to discharge the entire volunteer force, which in August, 1898, consisted of 5,216 officers and 110,202 men, leaving for all the duty which the army had then to perform in the United States, Cuba, Porto Rico, and the Philippine Islands, only 2,324 officers and 61,444 enlisted men of the then authorized regular army, but this number was by Acts of Congress subsequently increased to 65,000 regulars and 35,000 volunteers.

On February 2, 1901, an act was passed to increase the efficiency of the permanent military establishment, authorizing the President to maintain a regular army according to the exigency of the time, from a minimum of 59,131 to a maximum of 100,000.

The improvement of conditions in the Philippine Islands in the spring and summer of 1901 made it unnecessary to maintain the maximum strength of the army authorized by law, and on May 8th of that year an order was made fixing the reduced strength of the several organizations in a manner to place the aggregate enlisted strength of the army, including all staff departments, at 77,287.

In 1903 the army was reduced to the minimum allowed by law, and even that minimum number was further reduced on account of discharges for various reasons, which left the army at 55,500 enlisted men, of which number only 15,510 remained in the Philippine Islands, whereas now according to latest official reports the total garrison strength in the Philippine Islands numbers 13,584 officers and men.

A cursory statement of this kind cannot give any intelligent idea of the amount of work that devolved upon the War Department throughout this period. The United States was required practically to raise and disband two distinct armies between April, 1898, and July 1, 1901,—one army for the Spanish-American War, which was required to be disbanded immediately after the signing of the treaty of peace with Spain, and the other army to put down the insurrection in the Philippine Islands, which under the law was disbanded between January 1, and June 30, 1901.

#### **Control of Tropical Diseases.**

In June, 1900, the campaign against yellow fever on the island of Cuba was begun by the medical officers of the army. The disease, which was known by authentic records to have

existed without a year's intermission for a period of one hundred and fifty years, appeared for the last time in 1901, after which time the city of Habana enjoyed complete immunity as long as the precautions begun by the American officers were continued. When the army reoccupied Cuba, however, in the fall of 1906, sanitary conditions, which had been in excellent shape under the former American control, were found to have been allowed by the Cubans to lapse into a state approaching the old Spanish régime. But again the Medical Department went vigorously to work and sanitation has been again organized and re-established on a sound basis which warrants the conclusion that yellow fever, if not entirely wiped out of existence there, will always be under control beyond the danger of epidemic.

In June, 1900, a commission of army medical officers met at Habana for the purpose of studying the causes of yellow fever. Major Reed, the master mind of the commission, in his series of most perfectly planned experiments, proved beyond doubt that yellow fever is transmitted only by the bite of a particular species of mosquito, and that the old theory that filth, articles of clothing, etc., could carry the disease, is absolutely untenable. The Commissioners exercised great scientific ability and energy in their investigations, and much individual heroism was required amongst them as well as on the part of the enlisted strength of the army, who voluntarily offered themselves as subjects for the new experiments for the determination of the exact nature of the disease. It was at that time that the lamented Dr. Jesse W. Lazear, contract surgeon of the United States Army, won immortal glory and distinction by voluntarily permitting himself to be inoculated with the yellow fever germ, in order to furnish a necessary additional experimental test in the course of investigation, and as the result of that act of heroism and superb devotion to professional duty, soon afterwards died of the disease.

In the Philippine Islands, it became the duty of the Army Medical Department to protect the army from cholera and plague. The United States troops stationed at Manila and some of the larger seaport towns had every reason to expect the worst; but the troops were carried successfully through an epidemic of bubonic plague with only one or two cases affecting our soldiers, while smallpox was almost completely eradicated from Manila and the larger towns. During the year 1902 nearly half of the mean strength of the United States army was serving in the Philippine Islands, and was everywhere exposed to a malignant epidemic of cholera, from which probably 150,000 natives had suffered with a death rate of over fifty per cent. Notwithstanding this, owing to the strict preventive measures inaugurated by the Medical Department of the army and faithfully carried out by all officers, only thirteen cases of cholera per one thousand of strength occurred among the troops, with a death rate of 7.5 per thousand. When these records are compared with the cholera statistics of the United States army in the year 1866, when among the troops exposed there were over two hundred admissions per thousand with ninety-four deaths resulting, the enormous gain in sanitary knowledge and efficiency may be easily seen. In fact, the control and final extinction of the Asiatic cholera in the Philippine Islands seems now to have been accomplished. The severe epidemic, which began in 1902, was brought to a close in February, 1904, through the skillful and determined efforts of the medical officers of the army.

In the Chinese relief expedition of 1900-01 the United States army came into comparison with the forces of most of the great nations of the world, and as the result of that comparison won for itself highest standing. The Medical Department established in a very short time at Tientsin what was regarded by far as the best military hospital; and later on at Pekin many observers declared that the Medical Department of the United States army on duty there was by far the best and most intelligently equipped of any medical service there represented. *One of the most important duties assigned to the Medi-*



cal Department was that of establishing sanitary precautions at Panama. Recognizing that the sanitary problem is one of the most important in connection with the construction of the canal, the Panama Canal Commission very wisely applied for Col. W. C. Gorgas, a notable sanitary expert of the Medical Corps of the army, to take charge of the sanitary and medical department of this great work. Col. Gorgas inaugurated a system of sanitation in 1904, and has attained results that have excited the admiration of the world. Yellow fever, the bane of the French canal commission, that lost so many lives, has disappeared, and malaria, the greatest factor in the sick rates in the vicinity of the canal, is being rapidly brought under control.

Another very interesting point in favor of the zealous devotion to duty of numbers of the Medical Department might be mentioned. Captain Ashford, of the Medical Department, having proved that anaemia, which affects about eighty per cent of the native population of Porto Rico, was due to infection with a small intestinal worm and that the disease is both preventable and curable, was at the request of the Governor of Porto Rico detailed as the senior member of a board to study that disease. Under his able direction thousands of cases have been cured, and the proper steps taken to stamp out this disease.

#### **The Bureau of Insular Affairs.**

As the result of the war with Spain, the United States in 1898 became suddenly charged with the affairs of Cuba, Porto Rico, and the Philippines, which in consequence of that war passed from the jurisdiction of Spain to that of the United States. It was a bewilderingly new and vitally important duty, demanding careful consideration and quick attention. Naturally, however, all of those islands being still in the hands of our military, and all more or less unsettled and in need of a strong, competent hand to control and tranquillize them, the Secretary of War, under the immediate direction of the President, was regarded as the logical head of their governments. There was at that time, however, no organized bureau or office in the War Department which could well take hold of and manage the affairs of those three separate and distinct insular people, and therefore, as no time was allowed for delay, it became necessary for the Secretary of War to establish within his own office a small division of insular affairs which has since been enlarged by Congress into a Bureau.

To describe in detail the multifarious duties that devolved upon this section of the War Department would be to review over again the accounts of all insular affairs which have been set forth fully in the chapters devoted respectively to the Philippines, Cuba, and Porto Rico. Indeed, all of the achievements in the Philippine Islands owe much to this Bureau, which, acting as the American agency in all matters between the Philippine Islands and the United States, has played an important part and exercised inestimably valuable influence for the benefit of the insular government.

In the matter of education alone it has in a practical way done much in the great scheme of help to the Filipinos, and the manner in which it has supervised the education of Filipino youths brought to this country and placed in various schools and colleges has merited unmeasured approval. From the very hour that these young men arrived in the United States from the Philippines they were taken in charge by agents of this Bureau, and their affairs were constantly and most carefully looked after. There are now nearly two hundred of these selected bright and intelligent young Filipinos undergoing instruction in carefully chosen educational institutions in the United States.

This Bureau has also rendered conspicuous service in devising a new monetary system, banking system, and various other innovations calculated to benefit the people and increase the material prosperity of the Philippine Archipelago.

Its first important duty was with respect to Cuba, super-



vising and controlling the management of the customs and every other department of the military and the subsequent tentative civil government conducted by the United States.

One of its first most successful achievements was the preparation and supervision of the insular tariff system, and it has been an indispensable auxiliary in the furtherance of all of the schemes for the improvement of conditions in all the islands, but more especially in the Philippines, where its chief efforts seem to have been centered.

To the Bureau of Insular Affairs are assigned all matters pertaining to civil government in the island possessions of the United States subject to the jurisdiction of the War Department; also the transaction of all business in this country in relation to the temporary administration of the government of the Republic of Cuba, established under the provisions of the Platt Amendment on September 29, 1906, which is subject to the supervision of the Secretary of War, as well as making it a matter of official record. The Bureau of Insular Affairs is the repository of all the civil records of the Philippines and of the former government or occupation of Cuba (which terminated May 20, 1902), as well as the records of Porto Rico during the period (ending April 30, 1900) in which the War Department exercised jurisdiction over that island. It is required to furnish information relative to these subjects. It prepares, compiles, and arranges for publication executive documents relating to the affairs of the islands under it. It makes a comptroller's review of the receipts and expenditures of the Philippine government, and prepares final statements for presentation to Congress of all such accounts. It makes the purchases of supplies in the United States for the Philippine government, makes payment therefor, and arranges for their shipment to Manila. It has charge of appointments in the United States to the Philippine civil service, including arrangements for transportation. It gathers statistics of insular imports and exports, shipping and immigration, and quarterly summaries of the same are issued so far as the Philippines are concerned.

#### WORK OF THE ARMY IN ALASKA.

##### Military Telegraph System.

An extensive system of military telegraph lines in Alaska, provided for in Act of Congress approved May 26, 1900, was the first step toward securing for the enormous territory of the north the means of communicating by electricity from the isolated camps and settlements of the territory to the outer world. When without the telegraph for many months of the year nearly all communication would cease in Alaska and the region would become a closed world to the rest of mankind. The plan to wire Alaska was stupendous in conception, and has been brought to its present state of completeness through the energetic work of the Signal Corps, assisted by the line of the army.

The construction began in the late summer of 1900 at Valdez and Fort Liscum, and the system proper, land lines, cables and wireless, was completed October, 1904. Including extensions and changes made in the route since then, the system is now composed of 1,403 miles of land lines, 107 miles of wireless, and 2,524 miles of submarine cable. The land lines connect with the cable system at Valdez and extend from that point to Saint Michael and Eagle City. This great system now affords an all-American line of telegraphic communication between the United States and the important military and commercial points in Alaska, and was accomplished by the officers and men of our army notwithstanding the almost impossible difficulties in the way of absolutely unknown country, laborious means of inland transportation, limited working season, intense cold in winter and flood in summer.

*As a piece of pioneering, the opening of the trails, which was an incident of the construction of the telegraph system through Alaska, has added another chapter to the excellent*

record of the American army in this regard. The establishment of a chain of telegraph offices and repair stations has made possible comparatively easy and safe travel along these Arctic trails, upon which many a prospector would probably have lost his life had it not been for the refuge houses thus established.

#### Road Work.

Since the spring of 1905 a board of army officers appointed by the Secretary of War have been rendering most effective service in opening up and developing the great natural resources of Alaska by constructing and maintaining wagon roads, bridges and trails. Up to date they have completed about 200 miles of wagon road, 400 miles of winter sled road, 300 miles of dog-team and pack trail, completed three river bridges and installed three ferries.

The beneficial effects of this road and bridge work were apparent at once, and have been speedily followed by an appreciable reduction in freight rates and a saving of time in transportation.

#### PROFITING BY LESSONS OF THE WAR WITH SPAIN.

The unprepared condition of the country and the Government for war, disclosed at the beginning of the war with Spain and painfully apparent as the weeks and months of preparation and of the war itself passed, led the administrations of Presidents McKinley and Roosevelt to enter upon and carry out a deliberate and well thought out plan of reorganizing and strengthening the military service for purposes of national defense and for increasing its usefulness to the country in times of peace. That these plans have resulted in great improvements in all these lines can but be apparent from the facts here presented, and that the results fully justify the work undertaken and carried out is equally apparent.

The war with Spain demonstrated:

That the organization of the Army, inherited with few modifications from the fathers of the Revolution, was inelastic, seriously defective in some details, obsolete in others.

That the United States was absolutely without any effective coast defense system, especially so far as concerned the mining of harbors.

That not only should the artillery corps be enlarged, but that it should be divided so as to make the mobile and immobile sections of it complete in organization under separate and distinct heads. Therefore the coast artillery proper was made to consist of the immobile part of the artillery, while the field artillery, which is the mobile fighting element, was organized into regiments wholly separate and apart from the coast artillery.

That better organization in the manufacturing and supply departments of the army was absolutely necessary. There was lack of munitions and other materials of war, as well as lack of arms, both small and large.

That a general staff system was imperatively needed in our arms to co-ordinate and supervise the military operations of the various branches with a view to promoting the general efficiency of the army and securing a condition of preparedness for any emergency it might be called upon to meet.

That our regular army should be enlarged to a size more nearly corresponding to the magnitude of the country and its need for national defense.

That our militia system should be improved, its organization and discipline assimilated to that of the Regular Army, with which its members should be brought into more intimate contact and relationship.

#### PRINCIPAL ACHIEVEMENTS IN THE WAR DEPARTMENT UNDER THE PRESENT NATIONAL ADMINISTRATION.

##### War Department Administration.

The War Department has been entirely reorganized and today its administrative methods are better systematized and produce quicker and more satisfactory results than ever before in the history of the War Department.

**Reorganization of the Army.**

The Army has been enlarged and reorganized, and many of its obsolete methods have been discarded or replaced by new ones.

**New Military Education System.**

The military educational system has been brought to a higher plane of efficiency than ever before, and today is not surpassed by that of any other nation on earth.

During the past seven years the subject of general military education has received more attention than ever before in the history of the American army. There has been established a progressive educational system embracing army service schools at Fort Leavenworth, Kansas, which include the school of the line, the Staff college, and the Signal School; mounted service schools at Fort Riley, Kansas, including the training school for officers and non-commissioned officers; the training school for farriers and horseshoers, and the training school for bakers and cooks; the Coast Artillery School and the School of Submarine Defense at Fort Monroe, Virginia; the Engineer School at Washington Barracks, D. C.; the Army Medical School and the new Army War College at Washington, D. C.

The object of the War College is not to impart academic instruction, but to make practical application of military knowledge already acquired. Its work includes all that is involved in the preparation for war of the officers of the army in strategical and tactical problems, and embraces all the general system of military instruction at all the posts, garrison and service schools, as well as at the Staff College; also to supervise and classify the civic schools and colleges at which army officers are detailed as instructors, with a view to selecting those schools from which graduates may be appointed as second lieutenants in the army. The students are selected by the Chief of Staff and detailed by orders from the War Department in such number as may be expedient for the course of instruction beginning November 1st and ending October 31st. The Army War College goes beyond any institution of the kind ever attempted before in this country. It opens and controls a field of military training extending beyond the army itself and even to the organized militia of the States, whose officers are eligible for instruction at the service military schools; it guarantees facilities and all possible encouragement and help for military education; and beyond this it goes further and extends a helping hand even to the young students of the various civic colleges in the country. All in all, it is an institution of military learning and for the general direction of military instruction unequalled in any other country.

**Improvement of Artillery Service.**

The artillery branch of the army has been enlarged and entirely reorganized—divided into two parts, the mobile or field artillery, and the immobile or coast artillery. The former has taken its place with the infantry and cavalry and other elements of the moving army, whereas the latter, under the immediate direction and control of the Chief of Coast Artillery, is charged with all coast defensive duty.

**Seacoast Defenses.**

The Engineer and Ordnance Departments, which are charged with the construction and arming of seacoast fortifications, and the Quartermaster's Department, the Signal Corps and the Artillery Corps, which provide auxiliary defenses and accessories, are all working with more effective co-operation than ever before, and for the first time in the history of the United States the seacoast fortifications are now in position to defend the coast without reliance upon the navy. Thus the navy in the event of war would be set loose and free to exercise its legitimate function of seeking the enemy's fleet.

The "Taft Board" has made many important changes in the national system of coast defenses formulated by the "Endi-



cott Board," which not only result in much saving of money, but contemplate greater protection for the big harbors than ever before undertaken. Great reductions have been accomplished in the cost of emplacements, while the efficiency of the guns has been at the same time enormously enhanced. Heavy seacoast guns that were formerly mounted on gun-lifts, whereby the gunners were protected from the enemy while loading and after firing, could only be fired once in eight minutes, and the cost of the gun-lift was \$525,000. Similar guns are now mounted on disappearing carriages at a cost of \$150,000, being a reduction of \$375,000 in the cost of mounting, with equal or better protection to guns and men, and the guns can be fired ten times in eight minutes, or ten times faster than a few years ago.

This Board brought about a rearrangement of and additions to the lists of ports recommended by the Endicott Board for fortification. These rearrangements and additions embraced within the new scheme of the Taft Board were due to the growth of the country, the improvements in ordnance and the building of a navy, as well as to matters of naval policy developed during the preceding twenty years, and to recent discoveries in the science of manufacture of ordnance and materials of war which could not be evaded.

The Endicott Board, while attaching importance to defenses at the entrance to Chesapeake Bay for the protection of Hampton Roads, Norfolk, Newport News, Washington, and Baltimore, and at the eastern entrance to Long Island Sound for the protection of New York, confined its recommendations respecting these localities to so-called floating defenses or floating batteries, as outer lines of defense. The Taft Board, however, regarded Chesapeake Bay as commercially and strategically of the very first importance, and regarded the completion of fortifications at the entrance to Long Island Sound as only second to the consideration due to Chesapeake Bay. It will thus be seen that by taking all necessary action looking to the complete defense of the entrances to Chesapeake Bay, which command the approaches to both Washington and Baltimore, and the entrance to Long Island Sound, which constitutes the first line of defense of New York City against naval attack from that direction, the Taft Board has taken the precaution to look well after the hitherto neglected national metropolis as well as the national Capital. The Taft Board also took up the demands of Puget Sound, which in recent years has become of the greatest strategic and commercial importance, due to the completion in the extreme northwest of great railway systems, the rapid development of commercial, agricultural and manufacturing interests, and the establishment of a navy yard containing the only dry dock on the Pacific coast with a capacity for a battleship. In addition to these important recommendations, the Taft Board likewise considered and devised a scheme for fortifying the insular possessions, including Manila, Honolulu, and San Juan, whose military importance as naval bases and coaling stations, aside from other considerations, demanded proper attention, and furthermore provided for fortifying the Isthmian Canal ports of Colon and Panama, two most important projects, to be paid for out of the Panama Canal fund.

Notwithstanding all the important changes made in the system of national defenses, the plan of the Taft Board contemplates that adequate defenses may be secured for both the Atlantic and Pacific coasts for \$277,239 less than that estimated by the Endicott Board, and that the defense of the twenty-two ports common to both the former and the present systems can be completed for \$22,896,606.00 less than the sum originally proposed by the Endicott Board, if omission be made from the comparison of estimates for ammunition and sites.

#### Small Arms.

New models of rifles, bayonets, and entrenching tools have been adopted, manufactured, and issued since 1906, not only to the regular army, but to the organized militia of the States as well.

Prior to the Civil War the national workshops of the Ordnance Department could barely complete thirty rifles a day. In 1897 their capacity was only 200 guns per day. Now the two giant gun factories at the Springfield and Rock Island Arsenals are capable of manufacturing between 650 and 700 complete rifles every working day of eight hours, and in an emergency could produce 1,500.

#### The New Militia System.

The National Guard or the organized militia of the States, under the supervision of the War Department, has been brought to a very high state of practical efficiency. The old militia laws, which for more than a hundred years defied all attempts at change, have given way at last, and State and Federal troops are to-day in closer touch than ever before in our history. Whatever may have been the reason for this former inaction in regard to an important feature of our military organization, it was reserved for the present National Administration to present the matter to Congress in a way which finally resulted in the Federal militia law of January 21, 1903, which has rescued the militia from its realm of obsolescence.

Since the enactment of that law the War Department has devoted itself to improving in every possible way the organized militia of the States, now commonly known as the National Guard. From time to time, beginning with the large mobilization of over twenty-six thousand militiamen at Manassas in 1904, there have been joint encampments of the regular army and the National Guard, and a system has been adopted by which the State troops are more or less constantly under the surveillance and instruction of the regular army.

Acting upon the theory that there should be an available military reserve to act as supports and defenders of the sea-coast artillery from land attacks, within the past two years a system of instruction has been inaugurated for such organizations of the National Guard as were willing to assemble at the various regular army artillery posts. In this way an interest has been awakened, which it is hoped will lead to the organization of coast artillery companies in many of the cities of the States adjacent to the larger artillery defensive points.

Additional militia legislation amending the militia law of 1903, in the light of experience of its actual workings during the past five years was secured at the last session of Congress. Under the provisions of that act, approved May 27, 1908, the value of the militia to the Government in the event of war would be greater than ever before, as this body of citizen soldiery, fully armed, clothed, and equipped, and having the same organization and system of drill and training as the regular army, would be immediately available at the first outbreak of hostilities to supplement our small standing army and to constitute with it the nucleus of those greater volunteer armies upon which this country must always depend in time of war.

#### SUPPLY DEPARTMENTS.

##### Practical Demonstration of Improved Conditions.

The supply departments of the Army are better organized, better equipped, and more resourceful than ever before.

A practical illustration of the increased efficiency and resourcefulness of the Quartermaster's and other supply departments was given in 1906 in connection with the movement of the army of Cuban pacification. As if to demonstrate the improved conditions that were prevailing in 1906 over those unsatisfactory conditions that prevailed in 1898, within five minutes after receipt of the telegram from the President directing the movement, the necessary orders for the movement of the selected troops were in the hands of the telegraph operators, and a camp was quickly established at Newport News, Virginia, to serve as a basis of operations. The stores and supplies necessary to equip *this expedition* of 380 officers and 5,220 men were promptly set *aside at designated depots of the Quartermaster's Department, and the officers in charge of the depots were instructed to be*



prepared to ship supplies promptly on notification. This work was so well handled, that within twenty-four hours after telegraphic instructions for forwarding these supplies were received they were en route to their destination by fast freight and express from Philadelphia, New York, Boston, Chicago, Jeffersonville and St. Louis, including clothing, camp and garrison equipment, and all the various articles of military supplies needed for the army about to start for Cuba. In addition to these articles other shipments were made from time to time as required, and the War Department in all respects had reason to congratulate itself, not only on the carefulness with which that mobilization of troops had been so satisfactorily effected, but on the complete and expeditious manner in which the troops had been amply supplied and equipped with all that was needed for the expedition upon which they were about to start.

The army is better fed than ever before. The Subsistence Department has devoted much time, not only to the selection of proper food stuffs for the Army rations, but has likewise studied closely the methods of food preparation, and has established a school for the training of army cooks. It has also, by the use of the newly invented so-called "Fireless Cooker," provided for furnishing warm cooked food in camp, on the march, on the battlefield, and even on the firing line if necessary.

The Subsistence Department, aside from its strictly military duties, has won the admiration of the people generally throughout the country by proving itself of inestimable help to stricken communities in times of emergency and catastrophe, such as earthquakes, cyclones, famines, fires, and floods. These efforts have called forth the warmest expressions of gratitude from the beneficiaries. Among the most notable instances which have occurred in this respect are those on the occasion of the loss of life and property during the flood on the Mississippi River in 1897; during the Santiago campaign of 1898, when the Spaniards expelled the people from the city and they came to the American Army in a wretched and starving condition and were fed and cared for; when Porto Rico was visited by the destructive hurricane in 1899, which left death and starvation in its wake; in the disaster at Galveston in 1900, when the city was almost swept away by flood and thousands of lives were lost; when the volcanic eruption occurred in the French West Indies in 1902, in which nearly 40,000 human beings perished; and when the people of Cuba were subjected to the horrors of the "Reconcentrado" order and were starving. It was in a measure a race against death when the steamship "Comal" carried succor to the helpless and famished people of that island, who were perhaps saved from partial extinction by the timely and generous efforts in their behalf. The Subsistence Department fed the helpless and starving Filipinos by purchasing and distributing for the Insular Government over 20,000,000 pounds of rice, sugar, and salt in 1902. This, while from motives of humanity, operated in the end as a vital war measure. In the appalling calamity which overtook San Francisco and neighboring cities in the spring of 1906, when earthquake and conflagration rendered thousands homeless and hungry, the Subsistence Department was charged with feeding the destitute and the unfortunate; and while the earthquake and fire had destroyed the Commissary Depot in San Francisco at that time, the personnel of the Commissary Depot remained intact and its organization was enabled to render invaluable service in the distribution of the needed relief. This relief was continued for some time through the efforts of the National Red Cross Association, and through donations from other charitable institutions and private individuals.

The purchase and inspection of large quantities of supplies needed for relief of the starving in China last year were mostly made by the Subsistence Department. Upon request of the National Red Cross Association the Department purchased relief supplies at San Francisco for that organization in connection with the Chinese Famine Relief, and all Subsistence officers who were requested to act as purchasing agents for the purpose promptly expressed their willingness to serve in such capacity. The Christian Herald of New York also asked the



Department to purchase and inspect supplies to be provided from the fund raised by that paper for the relief of the famine-stricken people in China. Both the Red Cross Association and the Christian Herald expressed the highest appreciation of the services rendered, and the editor of the Christian Herald said, among other things, that the services which the Department rendered "could not have been improved upon."

In the recent cyclone that visited the Southern States—involving loss of life, destitution, and destruction of property—the Subsistence Department responded promptly and effectively to the call made upon it.

#### **Work of the Army of Pacification in Cuba in 1906.**

On account of the insurrection in Cuba in 1906 the necessity arose for the intervention of the United States, and on September 28, 1906, an expedition of United States troops consisting of 380 officers and 5,220 men sailed for Habana. Our troops forming the army of pacification are still in Cuba under the command of a major-general of the United States army, who is conducting military administration under the advice and direction of the Civil Governor of Cuba, appointed by the President of the United States, and the good results of that military aid to Cuba are already being demonstrated in all parts of the island, as will be shown elsewhere in the special chapter devoted to Cuba. From the date of arrival in Cuba of the troops constituting this army it had been what its name implies—an army of pacification—and no cases whatever had arisen for resort to force of any kind. The moral effect of the presence of this little Army of Pacification has nevertheless shown itself everywhere, so that the remotest nooks and corners of Cuba have been made aware of the fact that United States soldiers are there for the protection of the people and the enforcement of the law. Details of the work performed in Cuba by officers and men of the War Department are stated in another chapter.

#### **Medical Department.**

In modern warfare the service rendered by a medical corps consists largely in enforcing sanitary precautions and health measures that will reduce disease among the troops to a minimum and prevent their effective fighting strength from being unnecessarily lessened from this cause. This is particularly true in our own case, because in any war in which the United States may ever be engaged our armies will always consist in the main of volunteers, who naturally do not fully realize the immense importance of safe-guarding their health and taking care of their physical condition, and if they did are not trained in the matters essential for that purpose.

Adequate provision for caring for the health and comfort of the volunteer forces in time of war could only be made by creating a sufficiently large body of competent surgeons with military knowledge and training, requiring years of hard and conscientious work. These facts were pressed upon the attention of Congress with great earnestness by the War Department, and on April 23, 1908, a measure of relief was passed. Under the provisions of this law the Medical Department has been enlarged, and for the first time is now in position to prevent the needless loss of life and treasure which in times past resulted from insufficient medical attendance.

#### **River and Harbor Improvements.**

In no department of government activity perhaps has there been more progress during the past twelve years than in the work of improving rivers and harbors, which has been under the direct supervision and control of the Corps of Engineers of the Army, and certainly there is no field of effort more important or beneficial to the people at large.

*At no period has this development been greater than between the years 1896-1908, and the systematic and energetic methods employed, born of experience and intelligent conception on the part of Congress and the executive, have resulted in a maximum of benefit to the agricultural, commercial, and manu-*

facturing interests of the country at a minimum of cost. During these thirteen years Congress has appropriated a total of \$264,215,113 for the execution of definite projects carefully and scientifically formulated by experienced engineers.

There are now 592 separate works being carried on under the charge and supervision of sixty-four trained and educated officers of the Corps of Engineers. These works range from the bays and broad armed ports where "rich navies ride," to the small streams, creeks, and inlets over which the products of the farm are carried to market in rowboats and in small schooners, or lumber from our virgin forests is floated in rafts. In 1896, about 7,500 men were employed on river and harbor works, whereas during the past year more than 15,000 have been given regular and profitable employment, an increase of 100 per cent.

To convey an accurate understanding of the magnitude of the internal commerce using our waterways, and of the work that has been accomplished for its convenience, is an almost impossible task. The constant growth in size, draft, and carrying capacity of vessels navigating the inland waterways, as well as those employed on the seaboard, has necessitated increased depths and widths of channel. Twenty-five years ago harbor depths of from 12 to 25 feet were considered ample, but depths of 30, 35 and even 40 feet are now required in our important harbors, and have already been acquired or provided for.

Among the results accomplished up to the present time may be mentioned the increased depths and widths of channels in the great harbors of the country, particularly Charleston, where the depth has been increased from 10 to 26 feet; Ambrose Channel, New York Harbor, where the original available depth of 16 feet has been increased to 35 feet, and it is estimated will be still further increased to 40 feet by the year 1910; and Galveston, where the original depth of 9 feet has been increased to a ruling depth varying between 27½ and 30 feet; the improvement of the ports and rivers tributary to the Great Lakes, which has developed a marine performing a service greater than that done by one-quarter the entire railway freight equipment of the nation, and forming a means of transportation costing only about one-ninth of the cost of the same service by rail; the construction of canals, and thirty-two different slack-water systems as artificial aids to the navigation of rivers, such as the St. Mary's Falls Canal, through which there passed during the calendar year 1907, 15,643 vessels, aggregating 32,001,110 registered tons, and carrying 42,631,846 tons of freight, and 32,875 passengers. The corresponding figures for the Suez Canal for the same period are as follows: Number of vessels, 4,273 (of which 64 were men-of-war, transports, etc.); gross and net tonnage respectively of merchant vessels, 20,307,880 and 14,596,478; gross and net tonnage, respectively, of men-of-war, transports, etc., 245,361 and 131,848; total gross and net tonnage, respectively, 20,533,241 and 14,728,326; total number of passengers, 261,275 (of which 105,686 were military and 155,589 civil); the improvement of the Mississippi river and its tributaries, aggregating more than 16,000 miles of navigable waterways, reaching the very center of the country and affording a cheap and ready means of transporting the vast products of farm and mine; the improvement of various important harbors and waterways on the Pacific Coast, including the Columbia River, which penetrates the rich forests of Washington and the grain-bearing regions of Oregon, and into which, since improvement, the largest vessels can now enter and depart without difficulty—in short, every part of our seacoast, from St. John to the Rio Grande, from San Diego to Puget Sound, more than 23,000 miles in extent, and every section of the country traversed by our inland waterways has been benefited by reason of the increased facilities and lessened cost of transportation.

The value to our commercial and industrial interests of the work of the army engineers under the direction of the War Department in the improvement of rivers and harbors is incalculable. Directly or indirectly it touches beneficially every home in the land.

### Relief Work of the Army in National Emergencies.

The army, aside from its strictly military functions, performs civic duties which, besides adding to the general welfare of the country, tend to give to the people a feeling of greater security and confidence. In times of great national disaster and affliction or even State catastrophes, when the State is unable to meet the situation wholly, the army becomes the quick and faithful agency of the National Government, in extending relief to the afflicted. In numerous instances of direful exigency the Quartermaster's Department has furnished to the people shelter and fuel; the Subsistence Department has furnished both cooked and uncooked food; and the Medical Department has furnished medical supplies and given medical attention to the sick and needy, while the Signal Corps of the Army has been prompt in putting up telegraph wires and maintaining uninterrupted private and commercial communications, as was notably the case in San Francisco, when the Signal Corps men were stringing wires within a few hours after they were down, over the still smoldering fire district of that stricken city.

In addition to this, soldiers of all arms of the service, when occasion required have been placed on duty as guards and patrols for the protection of life and property, and never yet in a single instance has the War Department failed to respond to a call for help from any section of the United States—even now afflicted and homeless people in the South are being cared for after the recent cyclonic storms and floods in Southern States.

### Expenditures for Support of the Army.

Before the war with Spain expenditures for what is known as the Military Establishment averaged about \$23,000,000 annually. In 1898 they rose to \$55,000,000, and in 1899 to \$235,000,000. The annual average for 1900 and 1901 fell to \$100,000,000. In 1901 the increase of the regular army took place under the law authorizing the President to fix the strength of the army at a minimum of 60,000 and a maximum of 100,000. Since that year the numerical strength of the regular army has been approximately two and one-half times its numerical strength prior to the war, and allowing for the increased cost of materials and supplies, the expenditures that have been made for its support and maintenance have increased in about the same proportion, the average annual expenditures for this object since 1901 being about \$73,000,000. These figures do not include expenditures for Coast Defenses.

### Expenditures for Seacoast Defenses.

Since the war with Spain large expenditures have been made for those public works of a military nature which constitute a permanent plant, and may be briefly described as the seacoast defenses of the Nation. Speaking of this great national work of coast defense, Secretary Root in his annual report for 1902 stated as follows:

"Before the war with Spain it proceeded in a very leisurely way. Since the beginning of that war it has been pressed forward with great activity. The work was commenced in 1888; but for the eight years which followed prior to 1896 the total appropriations for the construction of fortifications amounted to but \$3,521,000, or an average of \$440,000 a year, while for the last seven years, beginning with 1896, the appropriations have amounted to \$22,238,000, or an average of \$3,176,000 a year, an annual increase of more than sevenfold. The appropriations for the construction of guns and carriages for seacoast defense for the eight years prior to 1896 were but \$8,100,000 (not including the unsuccessful dynamite gun), an average annual rate of \$1,012,000, while the appropriations for the same purposes for the last seven years were \$24,193,000, or an annual average of \$3,456,000, an annual increase of more than threefold. Out of the \$58,000,000 expended for both classes of work, over \$46,000,000 have been appropriated in the last seven years."

*Out of 2,362 guns and mortars contemplated in the project of the Endicott Board, only 151 were actually in position and ready for immediate use April 1, 1898. There are now over 1,200 of them completed and mounted.*



The Endicott Board plan of coast defense contemplated the expenditure of over \$100,000,000. Before 1896 we were progressing at a rate which would have required seventy years to complete the defenses according to the plan. Since 1896 we have been progressing at a rate which will finish the defenses according to the plan in *fifteen* years.

#### The Work in the Islands and Panama.

Details of the work of the past four years in the Philippines, Hawaii, Panama, Cuba, and Porto Rico will be found in the separate chapters devoted to those subjects.

#### The New Militia Law.

One of the important acts passed by the first session of the Sixtieth Congress was the Dick-Stevenson bill amending the militia law.

The new law provides that the National Guard of the various States shall be first called into service after the regular army in case of war, and the regimental organizations shall be taken intact. The provision in the old law limiting to nine months their term of service when called out by the President was repealed, and National Guardsmen hereafter mustered into the federal service will serve out their terms of National Guard enlistment. The old limitation that they could not be ordered outside the limits of the United States was also abolished, and the National Guard can now in time of war be ordered by the President any place that he can send the regular army. The new act also provides an annual allowance of \$2,000,000 for arms, clothing and other equipment, and makes provision also for an annual clothing allowance.

This legislation will in time make the organized militia of the United States what it has long desired to be—a real National Guard and the second line of defense in case of war. The Guard will in time, under the new law, be armed, clothed and equipped as the regular army. It will do more for the efficiency of the National Guard than any legislation yet enacted, and will produce a well trained and well equipped force ready on a moment's notice to answer a call for national service, and constitute an efficient and homogeneous force capable of immediate and splendid military work.

The law does not provide for any conscription on forced military service, all service in the Guard being voluntary, but gives the National Guard what it never had before, a fixed status in reference to the national defense in case of war. The bill was supported heartily by the National Guard of the entire country and by the military establishment of every State. The measure will prove of great value to the Guard and to the entire country, and make us better prepared for war at a minimum of expense than ever before in our nation's history.

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Our policy is one of fair and equal justice to all men, paying no heed to whether he is rich or poor nor heeding his race, his creed or his birthplace.—From President Roosevelt's speech of acceptance.

The Republican party stands now as ever, for honest money and a chance to earn it by honest toil.—From an address by Hon. Wm. McKinley before the Marquette Club, Chicago, Feb. 12, 1896.

Those who denounce the gold standard and assail its supporters must have read to no profit the splendid and incomparable history of their country.—Hon. C. W. Fairbanks, in U. S. Senate, March 5, 1900.

The contention that we are not a nation with power to govern a conquered or purchased territory robs us of a faculty most important for good to every sovereignty.—Hon. Wm. H. Taft at Cleveland, Ohio.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

## THE NAVY DEPARTMENT.

As wars between nations come suddenly, just as do personal conflicts between men, our Navy must be maintained upon that basis of possible contingency. Examination of our national history shows that wars have sprung suddenly into existence while wise men were proclaiming that war could not occur, and that there are many instances where the most unexpected occurrences have brought us to the very verge of battle. This fact was clearly and impressively set forth by President Roosevelt in a special message to Congress in April last, when he said:

### **Extract from Special Message of the President of the United States, April 14, 1908.**

*To the Senate and House of Representatives:*

I advocate that the United States build a navy commensurate with its powers and its needs, because I feel that such a navy will be the surest guaranty and safeguard of peace.

We are not a military nation, yet we are a rich nation, and undefended wealth invites aggression. The very liberty of individual speech and action, which we so prize and guard, renders it possible that at times unexpected causes of friction with foreign powers may suddenly develop. At this moment we are negotiating arbitration treaties with all the other great powers that are willing to enter into them. These arbitration treaties have a special usefulness because in the event of some sudden disagreement they render it morally incumbent upon both nations to seek first to reach an agreement through arbitration, and at least secure a breathing space during which the cool judgment of the two nations involved may get the upper hand over any momentary burst of anger. These arbitration treaties are entered into not only with the hope of preventing wrong-doing by others against us, but also as a proof that we have no intention of doing wrong ourselves.

Yet it is idle to assume, and from the standpoint of national interest and honor it is mischievous folly for any statesman to assume, that this world has yet reached the stage, or has come within measurable distance of the stage, when a proud nation, jealous of its honor and conscious of its great mission in the world, can be content to rely for peace upon the forbearance of other powers. It would be equally foolish to rely upon each of them possessing at all times and under all circumstances and provocations an altruistic regard for the rights of others.

It is our province to decide which side has been right and which has been wrong in all or any of these controversies. I am merely referring to the loss of life. It is probably a conservative statement to say that within the last twelve years, at periods of profound peace, and not as the result of war, massacres and butcheries have occurred in which more lives of men, women, and children have been lost than in any single great war since the close of the Napoleonic struggles. To any public man who knows of the complaints continually made to the State Department there is an element of grim tragedy in the claim that the time has gone by when weak nations or peoples can be oppressed by those that are stronger without arousing effective protest from other strong interests. Events still fresh in the mind of every thinking man show that neither arbitration nor any other device can as yet be invoked to prevent the gravest and most terrible wrongdoing to peoples who are either few in number or who, if numerous, have lost the first and most important of national virtues—the capacity of self-defense.

The United States can hope for a permanent career of peace on only one condition, and that is, on condition of building and maintaining a first-class navy.

The United States ought not to indulge a persuasion that, contrary to the order of human events, they will forever keep at a distance those painful appeals to arms with which the history of every other nation abounds. There is a rank due to the United States among nations which will be withheld, if not absolutely lost, by the reputation of weakness. If we desire to avoid insult, we must be able to repel it; if we desire to secure peace, one of the most powerful instruments of our rising prosperity, it must be known that we are at all times ready for war.

### **Personnel of the Navy.**

The present administration has continued the development and perfecting of all parts of our Navy. Our ships, built by American hands, are sailed by men and officers of American birth. The enlisted men now come into the Navy from every State and Territory and from nearly every city and town, to the great advantage of the Nation and the Navy. These young men, a large proportion of whom are from the States of the West and Middle West, are splendid examples of American manhood.



and form a class described by Admiral Dewey as "the best enlisted men in the world." Of this enlisted force 95 per cent are citizens of the United States and 85 per cent are native born. The last session of Congress provided for an increase of 6,000 seamen, making the total authorized force 44,500. The Marine Corps has been increased by 750 men and 52 officers, making the total authorized force 9,521 men and 333 officers. The Marine Corps occupies 38 shore stations, and marines are stationed on every large naval vessel. The shore stations include the U. S. Legation at Pekin, stations in Panama, Cuba, Alaska, Yokohama, Guam, Philippine Islands, Honolulu, and each regular naval station.

The naval officers of the line, those officers who have the duty of navigating and fighting our ships, form the most numerous part of our commissioned naval personnel. They are, for the most part, graduates of the U. S. Naval Academy. They enter the Naval Academy upon nomination by Senators and Members of Congress, from every State and Territory and from every Congressional district. There is thus no aristocracy in the Navy, as it is constantly recruited from every part of our great nation. The son of a laborer and of the millionaire are treated alike at the Naval Academy and they succeed or fail by the same standard regarding individual merit, ability, and character. They are trained in character. They are trained in the duties of the landsman, the seaman, and the officer, acquiring a knowledge and skill in navigation, gunnery, engineering, and all things that enter into the construction, handling, movement, and operation of vessels of war and the offensive and defensive weapons of war placed upon them. It is fair to say that our naval officers are the best in the world, and fairly representative of the people whom they serve, and to their high personal character and devotion to the naval service we owe the great efficiency and preparedness of our Navy, built, officered, and manned by Americans, a navy of the people, governed by the people and for the people.

The training of the officers and men of the Navy is continuous, based upon the experience in naval warfare of maritime nations. Officers begin their study and training for battle at the Naval Academy, and continue it throughout their active service, in actual battle tactics and drills and in the study of plans, projects and history of warfare at the Naval War College. The General Board, whose president is Admiral Dewey, prepares plans for all possible contingencies, and in time of war, or when active service on a considerable scale is required of the Navy, it is prepared to advise regarding naval operations. The Torpedo School at Newport, R. I., furnishes practical and theoretical instruction to officers and men regarding submarine operations, torpedoes, mines, explosives, and submarine torpedo boats.

The present system of training in gunnery has been continuously successful since 1903. The records for the year show that both rapidity of fire and percentage of hits are greater than in any preceding year, though the conditions of the tests were more difficult than heretofore. This increase in efficiency is due to the skill and energy of officers and men and the spirit of competition which is fostered between individual ships and individual guns. In battle practice at sea and at ranges of from 6,000 to 9,000 yards the heavy guns made over 30 per cent of hits against targets 30 feet high and 60 feet long, on unmarked ranges and under the conditions of firing in action. Our Navy is second to none in this regard. In small-arm target practice also a very marked improvement has been shown.

Recent experiments, under actual battle conditions, have been made by firing the heaviest projectiles and torpedoes at the armored monitor "Florida," and these practical tests are carefully studied by our officers and other experts.

#### The Dry Dock Dewey.

The giant steel floating dry dock "Dewey," completed in 1905, is capable of raising an injured vessel of 16,000 tons, whose bottom is 37 feet below the water surface. To have in our Philippine possessions this American-built dry dock, adapted to raise



for repairs our largest ships, the unique experiment of towing it half way around the world was made by the Navy Department.

In tow of three vessels the "Dewey" departed from Chesapeake Bay December 28, 1905, and passing through the Suez Canal arrived safely at Olongapo, P. I., July 10, 1906, having traversed 13,089 miles in 150 days 9½ hours of steaming, an achievement without a parallel in maritime history.

#### Naval Review.

The Atlantic fleet was reviewed at anchor off Oyster Bay by the President September 3, 1906, and again at the Jamestown Exposition, in Hampton Roads, April 26 and June 10, 1907.

The Secretary of the Navy reviewed the two fleets, Atlantic and Pacific, at San Francisco, on May 8, 1908, the grandest naval review in the history of the country, comprising forty-five fighting ships and twenty thousand fighting men.

#### Naval Expenditures Authorized by Sixtieth Congress.

The Sixtieth Congress at its first session, just ended, made provision for: Completing the Naval Training Station, Great Lakes, near Chicago, where 2,000 seamen may be recruited from the sturdy men of the West.

For a naval station at Pearl Harbor, Hawaii.

For improving the naval stations at Olongapo, Guam, Cavite, Culebra and Tutuila, and various naval stations in the continental limits of the United States.

For two 20,000-ton battleships.

For ten torpedo-boat destroyers.

For two fleet colliers.

For eight submarine torpedo boats.

#### The Navy as Insurance.

The Navy of the United States is an instrument of peace. Regarded as an insurance against war and the consequent enormous losses incident to war, it is the cheapest insurance in which our nation can invest. Great Britain, whose total valuation is fifty-nine billion dollars, expends annually on her Navy 2% (two per cent) of this value. France, with a valuation of forty-eight billion dollars, expends 1 3-10% (one and three-tenths per cent) on her navy. Germany, with forty; Italy, with fifteen, and Russia, with thirty-two billion dollars total valuation, likewise expends for naval purposes a considerable portion of their national wealth each year.

The United States, with a total wealth of 107 billions of dollars, expends *one-tenth of one per cent annually for naval purposes*, an expenditure not only less, but tremendously smaller, than the expenditure of any other naval power in the world, compared with our resources. With this comparatively small expenditure, we are building one of the most efficient navies of the world as an economical proposition, as an insurance against war, as a preventive of war, to guard, uphold, and defend the wealth and peace and honor of this nation, a modern nation with a modern navy.

#### Wireless Telegraphy.

Wireless telegraphy is of paramount importance to the Navy, necessary for the efficient and economical management of the fleets of the United States in time of peace, and their efficient manoeuvring in time of war. A supervisory control over the wireless telegraph work and stations of the United States is exercised by the Navy Department as being the executive department most in interest. An Inter-Departmental Board on Wireless Telegraphy, including representatives of the Departments of the Navy, War, Commerce and Labor, and Agriculture, has provided for harmonious and efficient co-operation of all facilities of this kind, both in peace and war, at all stations of the United States both ashore and afloat. Our largest naval vessels are supplied with the best apparatus and skilled operators. Two years ago, when the President was aboard the "Louisiana" in the Gulf of Mexico, it was considered a remarkable achievement when that

vessel communicated by wireless telegraph with the Navy Yard station at Washington, D. C. The battleship fleet, under Rear Admiral Evans, on March 6, 1908, then in position lat.  $9^{\circ} 00' N.$ , long.  $96^{\circ} 45' W.$ , off the west coast of Guatemala, picked up communication by wireless telegraphy with Point Loma, California; Pensacola and Key West, Florida, and New York, the greatest distance being about 2,200 miles. From this time on the fleet was in constant communication with the Navy Department through the naval wireless telegraph stations.

#### **Description of the Modern Battleship.**

The modern first-class battleship is a fighting machine of huge proportions and enormous power, offensive and defensive. A statement of its details will show some of the reasons for its great cost.

Battleships like the "Connecticut," the flagship of the Atlantic fleet, and her sisters, the "Louisiana," "Vermont," "Minnesota," and "Kansas" are 450 feet long, 77 feet in breadth, of 25 feet draft, 16,000 tons normal displacement and 18 knots (or 21 miles) speed. The larger ships authorized and now being rapidly constructed are of 20,000 tons displacement. They are 510 feet long, 85 feet in breadth, of 27 feet draft, 21 knots (24 miles) speed, with ten 12-inch rifles, fourteen 5-inch rifles, two submarine torpedo tubes, and numerous rapid-fire and machine guns. A crew of 55 officers and 878 men is required to operate the guns, engines and machinery of such a battleship, of 25,000 horse power, of railroad speed, fitted to burn both coal and oil under her boilers, carrying 2,500 tons of coal supply, and nearly 400 tons of fuel oil. These vessels will be able to steam from our Pacific coast to Manila without recoaling.

The main armor belt—the heaviest armor of the ship—the strongest steel plates, with specially hardened faces, protects engines, boilers and magazines. A projectile passing through this armor belt would probably inflict greater damage than at any point above. Its position in our vessels is such as to provide the greatest protection to the most vital parts of the ship. The secondary armor belt, above this main armor belt, furnishes protection as far as possible to the hull structure, the lighter battery, and its gunners. The heavy 12-inch guns, their turrets, ammunition hoists, etc., are specially protected by armor practically equal to the main belt. A projectile piercing the armor above the main armor belt would inflict much less injury than one piercing at or below the water line; therefore, the thickest armor is placed at and more below than above the water line. In our newer battleships a load of 60 to 70 tons sinks the ship about one inch in the water. The capacity of the "Louisiana's" coal bunkers is 2,400 long tons, corresponding to about three feet of immersion of the ship. The location of the main armor belt of our battleship is such as to secure the best possible protection to vital parts of the ship under average, or normal, conditions of load, and consequently of immersion.

The opinions of our own and foreign designers and officers of greatest experience and distinction are in substantial agreement as to the location of the main armor belt on our ships. Indeed, if greater weight of armor could be added, the lower edge of the main armor belt would be placed lower rather than higher. It is the general opinion of those qualified to know that in personnel and material the Navy of the United States is not inferior to that of any foreign naval power, ship for ship of like age and tonnage.

#### **Power of a Modern 12-Inch Gun.**

It is forty-six years since the strictly American battle of the "Monitor" and "Merrimac" at Hampton Roads gave birth to modern navies. Since that battle, armor and guns have been constantly improved in quality and strength and power. Our naval 12-inch rifle, weighing over 60 tons, fires a steel projectile weighing 850 pounds, with a muzzle velocity of nearly 3,000 feet per second, and an energy of about 48,000 foot-tons. The work stored up in this single projectile, as it leaves the muzzle of the



gun, is twice as great as the total energy in all the projectiles fired from our most powerful war vessels forty-six years ago. Forty-eight thousand foot tons represents the work required to raise three 16,000-ton battleships one foot in one minute, or it is equal to the energy exerted by 48,000 tons falling one foot, or one ton falling 48,000 feet—nine miles. Its destructive effect is enormous, and it is to guard against this terrible projectile that the heaviest and most improved armor is employed.

It is the opinion of some of the most distinguished foreign authorities that our most recent designs of battleships now under construction are distinctly superior to the famous British "Dreadnought," the most recent British type, and the latest reports indicate that Great Britain is considering the development of new designs to surpass the "Dreadnought" and its successors of the same type.

#### **The History of our New Navy—Twenty-Five Years of Development and the Results—the Cost.**

The history of the new navy was clearly and tersely told by Hon. George Edward Foss in an address on the naval appropriation bill on April 10, 1908, as follows:

We have recommended the building of two battleships of 20,000 tons each. They will cost in the neighborhood of \$10,000,000 each. In addition to that we have recommended the construction of ten torpedo-boat destroyers, each to cost about \$800,000, and eight submarines—a naval programme which will cost in the neighborhood of \$30,000,000, a little less than one-half of that which is recommended by the Secretary of the Navy and the General Board.

Mr. Chairman, I desire now to speak a little upon the cost of our navy. This is a great year in the history of the new navy. It was twenty-five years ago that we started in to build up the new navy under the administration of President Arthur. March 3, 1883, was the birthday of the new navy. That year, at that time, we authorized the Atlanta, the Boston, the Chicago, and the Dolphin, sometimes called the A, B, C, and D of the new navy. Since that time we have been going on, year after year, building cruisers, battleships, and destroyers, until today we have a good navy. Now, it may interest some of the members of this House to know how much this navy has cost, how much we have expended in the construction of these ships. The cost of all these battleships which we have authorized amounts to \$309,000,000. We have appropriated for the navy during the last twenty-five years \$1,244,657,000. Of this, as I say, \$309,000,000 have gone into the construction of the new ships, leaving a balance of \$935,000,000, which have gone to the maintenance of the naval establishment during the last twenty-five years. This has been an average per year of \$37,000,000 for maintenance. This is what the new navy has cost us.

March 3, as I said, 1883, was the birthday of the new navy. We started in then to build our first new ships, which were cruisers, but it was not until 1890 that we authorized the first battleship, which was the Indiana. That battleship had a tonnage of 10,228 tons. Its freeboard was about 11 feet and 6 inches. It has armor plate upon its sides 18 inches thick. Its speed was less than 16 knots. That was the first battleship that Congress authorized, and it cost in the neighborhood of about \$6,000,000.

Today we are building greater battleships—two of them, the Delaware and the North Dakota. They have each a tonnage of 20,000 tons. The armor plate upon their sides is only 9 inches thick, but better armor, and their freeboards are much higher—twice as high as those of the Indiana—all of which goes to show that during the last eighteen years there has been a mighty and tremendous development in the construction of the American battleship. The guns upon the Indiana were built to fire only once every five minutes, but upon the new battleships the large guns, the 12-inch guns, will each fire twice every minute if necessary. In fact, there is hardly anything which the hand of man has contrived during the last twenty-five years which has undergone such a tremendous revolution and change as the great battleship, the instrument of warfare, the instrument of the nation's defense. If you look at the character of our battleships first authorized by Congress and as we authorize them today, you will be struck by the fact that they illustrate the policy of Congress. The Indiana has a low freeboard of about 11 feet and 6 inches. What was the idea of the navy back at the time when the Indiana was built? Then we were building up this navy, but not with the idea of an aggressive navy. It was a navy of defense, and up to the time of the Spanish-American war—yes, up to the time of the naval appropriation bill of 1900—every authorization for an American battleship carried these words, "coast-line battleship." The policy of Congress had been, up to 1900, to build up what? A navy for defense, a navy to hug the shore line, a navy to defend the coast line. But the Spanish American war came on and it opened up a larger door of greater opportunity to this country. Then the policy of the American Navy and of Congress changed. What has it been from that time on? To build up a navy for defense; yes, but in recognition of another principle, that the best defense is the ability to make an aggressive offense; and so, from 1900, in every appropriation bill authorizing the building of an American battleship you will find those words "coast line" stricken out, and the authorization reads, "a seagoing battleship"—a battleship capable of fighting the enemy out on the high seas and not simply defending the coast line. So we have been building up this navy upon that theory since 1900—a navy for defense; yes, and a navy for offense if necessary.



### The Trip to the Pacific and its Value.

Now, Mr. Chairman, a few months ago, when the President of the United States gave the order that sent the fleet around the Horn out into the Pacific, we heard a great deal of criticism from the public press, particularly in the vicinity of New York. The fleet has passed around the Horn out into the Pacific and we hear no criticism now. A fleet of sixteen battleships, aggregating 223,000 tons, commanded and officered by 14,000 men, the greatest fleet of recent years, which could be duplicated only by England herself, has passed safely from the Atlantic around into the Pacific. We had criticism a few months ago; we have none now because everybody recognizes that it was a good order which the President made. What use is it to build up ships unless we have them in fleet formation? What use is it to build up a navy unless we send that navy out on long cruises where the men can be properly disciplined and trained? What do you think Rodjestvensky would have given if he could have made the cruise from Cronstadt to Tsushima in time of peace before he was compelled to do so in time of war? Do you not think his fleet would have been in better condition to meet the enemy in the Sea of Japan if he had made the cruise at least once before in time of peace. This cruise of the American fleet around the Horn has been very profitable to the American Navy, because it has disciplined and trained our personnel and our officers. They have been able to find out the weaknesses in our personnel, if any exist, and not only that, but it has been of great benefit also to the material of the American navy. They have learned whether our ships were good for anything or not, and the word just coming back to us from Magdalena Bay has been that our ships were even better than when they started on the cruise and the personnel more highly trained and better disciplined than when they first set sail from Hampton Roads.

Another thing which this cruise has called to the attention of the American people is that the American Navy is a national institution; that we are building up a navy for the protection of the Pacific as well as the Atlantic; that we are a two-oceans country; and necessarily, if the American Navy is to be the instrument of our national defense, we must have a two-ocean navy—a fleet upon the Pacific as well as a fleet upon the Atlantic. [Applause.]

This cruise of the Navy into the Pacific has called the attention of the country to another important thing. Wherever that fleet has gone it has been met at every port with the hospitality and the cordiality for which the people of the South American countries are famous. It has tended to cement in closer bonds the relations between our country and the South American Republics. It has given force and efficacy to the words of our able Secretary of State, who made a visit to the leading Republics of South America a few months ago, and it has bound those Republics to us by closer ties than any single thing which could have happened.

The people of South America recognize that we are bound together in one common destiny, and that the American Navy and the American people propose to maintain and uphold the Monroe Doctrine and have the ability to do so. Not only has the cruise been beneficial in that respect, but, Mr. Chairman, it has called the attention of the country also to the fact that we are moving westward in our national development. All our history has been along the shores of the Atlantic. Our war for national independence and our war for the freedom of the seas have been largely along the shores of the Atlantic. But we are passing now in our national development from the Atlantic westward to the Pacific. We are beginning to realize what William H. Seward said on the floor of the American Senate fifty years ago, that the Pacific Ocean, its islands and its shores and the great region beyond would some day be the chief theatre of events in the world's great hereafter.

### Naval Strength.

The naval strength of Great Britain is 58 battleships and 38 cruisers, her battleships averaging 14,900 tons. The United States has 29 battleships and 15 cruisers, our battleships averaging 14,000 tons. France, with 27 battleships and 23 cruisers, has battleships averaging 13,647 tons. Germany's 28 battleships average 12,820 tons. Japan's 15 battleships average 15,467 tons, nearly 1,100 tons heavier vessels, on an average, than our heaviest 15 battleships now in the Pacific. The relative naval strength of the United States in battleships and armored cruisers is second only to Great Britain. The total tonnage of battleships and armored cruisers as compiled by Mr. Pitman Pulsifer in the Navy Year Book, 1907, is as follows:

	Battleships.		Cruisers.		Totals	
	No.	Tonnage.	No.	Tonnage.	No	Tonnage.
Great Britain -----	58	867,200	38	468,350	96	1,335,550
United States -----	29	406,146	15	186,545	44	592,691
France -----	27	369,233	23	220,982	50	590,215
Germany -----	28	359,536	10	113,528	38	473,064
Japan -----	15	242,841	14	156,311	29	399,155
Russia -----	16	210,899	6	63,166	22	274,065
Italy -----	12	152,846	10	78,513	22	231,359
Austria -----	6	73,800	3	19,020	9	92,820

The addition of the larger battleships, for two of which the preceding Congress has appropriated, will rapidly increase our average tonnage per battleship.

*War ship tonnage of the principal naval powers.*

Number and displacement of war ships, built and building, of 1,000 or more tons, and of torpedo craft of more than 50 tons.

Type of vessel.	Great Britain.				France.				United States.				Germany.				Japan.				Russia.			
	Building.		Built.		Building.		Built.		Building.		Built.		Building.		Built.		Building.		Built.		Building.			
	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.	No.	Tons.		
Battleships, first class.	52	753,050	6	113,570	18	227,420	6	110,100	25	334,146	4	72,000	22	256,067	6	97,964	11	152,548	2	38,950	5	62,400	4	58,600
Coast-defense vessels.	31	402,000	4	66,350	11	65,800	3	41,644	11	45,331	1	14,500	8	32,378	3	18,786	3	18,786	5	54,200	4	21,380	2	16,030
Armored cruisers.	18	176,250	1	106,880	20	179,338	3	41,644	11	142,945	5	43,800	8	78,693	2	35,200	11	108,900	2	29,200	5	54,200	2	16,030
Cruisers, above 6,000 tons.	41	106,880	1	3,300	13	52,549	3	41,644	17	68,870	1	3,750	1	5,980	2	13,130	9	33,737	1	4,100	1	3,400	1	3,400
Cruisers, 6,000 to 3,000 tons.	24	51,370	9	8,801	42	12,039	23	8,835	16	21,478	5	3,300	62	28,107	2	2,600	6	13,538	2	2,600	2	8,809	2	2,600
Cruisers, 3,000 to 1,000 tons.	144	55,835	23	6,182	250	24,206	10	970	32	5,615	7	2,142	42	7,630	11	7,370	55	19,824	2	762	93	33,831	4	2,420
Torpedo-boat destroyers.	48	8,182	23	6,182	250	24,206	10	970	32	5,615	7	2,142	42	7,630	11	7,370	55	19,824	2	762	93	33,831	4	2,420
Torpedo boats.	42	10,908	18	5,828	44	7,252	50	20,288	12	1,718	7	2,142	1	180	2	300	8	6,312	2	638	57	6,834	6	2,077
Submarines.																								
Total tons built and total tons building.		1,655,075		204,090		611,453		181,835		670,596		95,872		523,053		162,566		368,665		76,238		440,943		79,007
Total tons built and building.		1,859,174				796,288				766,488				685,619				444,903				320,040		

\*Battleships, first class, are those of (about) 10,000 or more tons displacement.

†Includes smaller battleships and monitors.

‡All unarmored war ships of more than 1,000 tons are, in this table, classed according to displacement as cruisers. Scouts are considered as cruisers in which battery and protection have been sacrificed to secure extreme speed. The word "protected" has been omitted because all cruisers except the smallest and oldest now have protective decks.

§Those over twenty years old, unless they have been reconstructed and rearmcd since 1900.

||Those not actually begun, although authorized.

¶Transports, colliers, repair ships, torpedo depot ships, converted merchant vessels, or yachts.

‡Vessels of less than 1,000 tons, except torpedo craft.

§Torpedo craft of less than 50 tons.

*Relative order of war ship tonnage.*

At present.		As would be the case were vessels building now complete.	
Nation.	Tonnage.	Nation.	Tonnage.
Great Britain.....	1,655,075	Great Britain.....	148,350
United States.....	670,596	France.....	281,778
France.....	614,458	United States.....	320,040
Germany.....	523,053	Germany.....	444,903
Japan.....	368,665	Japan.....	685,619
Russia.....	240,943	Russia.....	766,488
Italy.....	220,308	Italy.....	796,288
Austria.....	114,250	Austria.....	1,850,174

*Appropriations for the naval establishment since the beginning of the new Navy.*

Year and Congress.	Annual.	Additional.	Total.
1883 (47-2).....	\$14,819,976.80		\$14,819,976.80
1884 (48-1).....	15,894,434.23	\$388,800.79	16,782,605.02
1885 (48-2).....	14,980,472.59	1,272,447.42	16,252,920.01
1886 (49-1).....	15,070,837.95	981,812.93	16,052,650.88
1887 (49-2).....	16,489,907.20		16,489,907.20
1888 (50-1).....	25,767,348.19	496,308.57	26,263,656.76
1889 (50-2).....	19,942,835.35	2,203,152.03	22,150,987.38
1890 (51-1).....	21,692,510.27	573,553.35	22,266,063.62
1891 (51-2).....	24,136,035.53	1,193,886.47	25,329,922.00
1892 (52-1).....	31,541,654.78	123,195.92	31,664,850.70
1893 (52-2).....	23,543,385.00	67,872.99	23,611,257.99
1894 (53-2).....	22,101,061.38	290,063.61	22,391,124.99
1895 (53-3).....	25,327,126.72	148,235.55	25,475,362.27
1896 (54-1).....	29,416,245.31	1,199,469.12	30,615,714.43
1897 (55-1).....	30,562,660.95	658,233.62	31,220,894.57
1898 (55-2).....	33,003,234.19	92,298,741.59	125,301,975.78
1899 (55-3).....	56,098,783.68	6,449,009.38	62,547,793.06
1900 (56-1).....	48,099,969.58	5,482,801.32	53,582,770.90
1901 (56-2).....	65,140,916.67	4,375,858.78	69,516,775.45
1902 (57-1).....	78,101,791.00	6,280,760.80	84,382,551.80
1903 (57-2).....	81,876,791.43	2,795,257.30	84,672,048.73
1904 (58-2).....	97,505,140.94	6,127,974.46	103,633,115.40
1905 (58-3).....	100,336,679.94	15,084,317.81	115,420,997.75
1906 (59-1).....	102,031,670.37	2,417,049.56	104,508,719.93
1907 (59-2).....	98,958,507.50	734,790.82	99,693,298.32
1908 (60-1).....	122,662,485.47	7,333,521.60	129,996,007.07
Total.....	1,215,165,462.92	159,481,580.09	1,374,647,037.01

The "additional" appropriation for 1896 was appropriated in two sessions of Congress—(51-1) and (51-2).

The "additional" appropriation for 1898 includes \$50,000,000, which was appropriated for "national defense."

**The United States has not the slightest wish to establish a universal protectorate over other American States, or to become responsible for their misdeeds.—From President Roosevelt's The Monroe Doctrine, American Ideals, p. 248.**

**Nothing strikes a deadlier blow at liberty than the insidious appeals made in her name in times of public excitement.—Postmaster-General Cortelyou on Lincoln's Influence on American Life.**

**We ask for a great navy, we ask for an armament fit for the nation's needs, not primarily to fight, but to avert fighting. Preparedness deters the foe and maintains right by the show of ready might without the use of violence.—From President Roosevelt's "Washington's forgotten maxim," American Ideals, p. 288.**

**Protection saves to the world the useless expense and labor of shipping products from one country to another and turns these into productive sources of wealth.—Judge William Lawrence, of Ohio, in the American Economist.**

**Plans have been suggested for the migration of the negroes to some other country, where they would live by themselves and grow up by themselves, and have a society by themselves, and create a nation by themselves. Such a suggestion is chimerical. The negro has no desire to go, and the people of the South would seriously object to his going.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.**



*Summary of vessels in the United States Navy June 30, 1908.*

Type.	Fit for service, including those under repair.	Under construction.	Authorized.	1'nf't for sea service.	Total.
First-class battleships.....	25	4	2		31
Second-class battleships.....	1				1
Armored cruisers.....	12				12
Armored ram.....	1				1
Single-turret harbor-defense monitors.....	4				4
Double-turret monitors.....	6				6
Protected cruisers.....	22				22
Unprotected cruisers.....	3				3
Scout cruisers.....	3				3
Gunboats.....	9				9
Gunboat for Great Lakes (not begun).....			1		1
Light-draft gunboats.....	3				3
Composite gunboats.....	3				3
Training ship (Naval Academy), sheathed.....	1				1
Training ships.....	2				2
Training brigantine.....	1				1
Special class (Dolphin, Vesuvius).....	2				2
Gunboats under 500 tons.....	12				12
Torpedo-boat destroyers.....	16	5	10		31
Steel torpedo boats.....	35				35
Wooden torpedo boats.....	1				1
Submarine torpedo boats.....	12	7	8		27
Iron cruising vessels, steam.....	3				3
Wooden cruising vessels, steam.....	5			4	9
Wooden sailing vessels.....	5			2	7
Tugs.....	42	2			44
Auxiliary cruisers.....	5				5
Converted yachts.....	23				23
Coasters.....	15	2	5		22
Transports and supply ships.....	10				10
Hospital ship.....	1				1
Receiving ships.....	5			5	10
Prison ships.....	2			1	3
Total.....	294	20	26	12	352

*Expenditures on vessels under construction to March 31, 1908.*

Michigan.....	\$2,768,430.65	Torpedo-boat destroyer No. 18.....	\$5,375.74
South Carolina.....	3,098,597.82	Torpedo-boat destroyer No. 19.....	38,013.33
Delaware.....	1,443,470.31	Torpedo-boat destroyer No. 20.....	95,286.53
North Dakota.....	1,383,037.09	Torpedo-boat destroyer No. 21.....	95,169.00
Montana.....	4,386,178.3	Submarine torpedo boats	337,262.31
Vestal.....	925,000.08	Outfit Fish.....	150,908.18
Prometheus.....	373,098.12	Tarantula.....	177,216.36
Patapsco.....	112,241.61	Cumberland.....	452,347.69
Catuxent.....	102,620.07	Intrepid.....	403,930.31
Octopus.....	204,924.16	Total.....	21,214,886.50
Viper.....	191.48		
Chester.....	1,568,620.08		
Birmingham.....	1,433,977.06		
Salem.....	1,433,327.32		
Torpedo-boat destroyer No. 17.....	34,500.71		

Amount expended under increase of the Navy appropriations on all vessels other than those above named (including \$2,500,000, approximate cost of equipage of monitors and torpedo boats), \$45,500,721.20.

The present business system of the country rests on the protective tariff and any attempt to change it to a free trade basis will certainly lead to disaster.—Hon. Wm. H. Taft, at Columbus, Ohio.

The representative government that has served us well for 130 years has not been for Mr. Bryan sufficiently expressive of the will of the people. We must call upon fourteen million electors to legislate directly. Could any more burdensome or inefficient method be devised than this? I believe that the referendum under certain conditions and limitations in the subdivisions of a State on certain issues may be healthful and useful, but as applied to our national government it is entirely impracticable.—Hon. Wm. H. Taft, at Columbus, Ohio.

*Cost of all vessels of the new Navy.*

STATEMENT SHOWING COST OF EACH COMPLETED BATTLESHIP, ARMORED CRUISER, PROTECTED CRUISER, AND UNPROTECTED CRUISER BUILT UNDER APPROPRIATIONS FOR INCREASE OF THE NAVY TO MARCH 31, 1908.

	Hull and machinery, including armor.	Equipage including armament.	Total
<b>BATTLESHIPS (26).</b>			
Texas.....	\$3,638,284.99	\$563,836.50	\$4,202,121.49
Indiana.....	5,333,708.05	649,663.93	5,983,371.98
Massachusetts.....	5,401,844.97	645,272.98	6,047,117.95
Oregon.....	5,914,021.90	661,010.86	6,575,032.76
Iowa.....	5,162,587.12	708,619.20	5,871,206.32
Kearsarge.....	4,429,800.69	613,700.99	5,043,501.68
Kentucky.....	4,418,091.99	580,924.44	4,998,119.43
Alabama.....	4,077,010.09	588,810.13	4,665,820.22
Wisconsin.....	4,162,617.53	561,276.75	4,723,894.28
Illinois.....	4,073,429.26	547,979.56	4,621,408.82
Maine.....	4,566,612.69	814,439.09	5,381,051.78
Missouri.....	4,438,925.08	819,335.47	5,258,260.55
Ohio.....	4,475,180.32	790,129.39	5,265,309.71
Connecticut.....	6,369,244.26	1,323,875.12	7,693,119.38
Kansas.....	6,163,380.69	1,184,748.68	7,347,129.37
Louisiana.....	6,052,624.16	1,282,962.33	7,335,586.49
Minnesota.....	6,127,092.63	1,089,451.46	7,216,544.09
Vermont.....	6,135,763.15	1,299,984.88	7,435,748.03
Georgia.....	5,538,776.57	985,731.30	6,524,507.87
Nebraska.....	5,606,027.94	1,049,468.56	6,655,496.50
New Jersey.....	5,366,375.21	1,072,922.98	6,439,278.19
Rhode Island.....	5,343,450.55	1,062,023.88	6,405,474.43
Virginia.....	5,483,089.56	1,051,993.05	6,535,082.61
New Hampshire.....	5,140,130.42	a1,250,000.00	6,390,130.42
Idaho.....	4,351,092.64	a1,000,000.00	5,351,092.64
Mississippi.....	4,438,778.19	a1,000,000.00	5,438,778.19
<b>Total.....</b>	<b>132,207,543.65</b>	<b>23,218,261.53</b>	<b>155,425,805.18</b>
<b>ARMORED CRUISERS (11).</b>			
Brooklyn.....	3,944,820.73	478,969.36	4,423,790.00
New York.....	3,897,840.32	448,502.07	4,346,342.39
Colorado.....	4,831,408.00	860,201.59	5,691,609.59
Pennsylvania.....	4,855,881.02	850,493.65	5,706,374.67
Maryland.....	4,874,500.11	808,019.89	5,682,520.00
West Virginia.....	4,885,072.48	843,840.85	5,728,913.33
Tennessee.....	5,193,678.07	950,755.36	6,144,433.43
Washington.....	5,190,660.60	965,519.36	6,156,180.00
California.....	4,678,083.32	a950,000.00	5,628,083.32
North Carolina.....	4,434,459.80	a950,000.00	5,384,459.80
South Dakota.....	4,647,314.24	a850,000.00	5,497,314.24
<b>Total.....</b>	<b>51,433,708.69</b>	<b>8,846,602.13</b>	<b>60,280,310.82</b>
<b>PROTECTED CRUISERS (18).</b>			
Newark.....	1,439,382.20	390,735.00	1,830,117.20
Baltimore.....	1,554,483.94	422,245.41	1,976,729.35
Philadelphia.....	1,561,392.47	397,267.91	1,958,660.38
San Francisco.....	1,738,257.82	397,045.49	2,135,303.31
Olympia.....	2,484,027.54	495,255.84	2,979,283.38
Cincinnati.....	2,023,326.91	348,577.61	2,371,904.52
Raleigh.....	1,867,934.32	331,795.48	2,199,729.80
Columbia.....	3,461,960.26	447,051.00	3,909,011.26
Minneapolis.....	3,403,707.07	446,280.37	3,849,987.44
Tacoma.....	1,113,395.45	285,386.30	1,398,781.75
Cleveland.....	1,098,320.33	276,488.77	1,374,809.10
Denver.....	1,135,853.66	278,914.08	1,414,767.74
Des Moines.....	1,156,276.68	269,994.74	1,426,271.42
Chattanooga.....	1,378,445.75	308,148.45	1,686,594.20
Charleston.....	3,117,234.16	664,176.84	3,781,411.00
Galveston.....	1,426,850.73	306,923.50	1,733,774.23
Milwaukee.....	3,171,668.53	660,831.33	3,832,500.86
St. Louis.....	3,173,324.35	644,408.09	3,817,732.44
<b>Total.....</b>	<b>36,305,822.17</b>	<b>7,374,388.21</b>	<b>43,680,210.38</b>
<b>UNPROTECTED CRUISERS (3).</b>			
Marblehead.....	1,061,426.30	229,736.63	1,291,162.93
Montgomery.....	1,050,933.51	216,176.17	1,267,109.68
Detroit.....	1,004,711.65	228,328.25	1,233,039.90
<b>Total.....</b>	<b>3,117,071.49</b>	<b>674,241.05</b>	<b>3,791,312.54</b>

a Estimated.

## WORK OF THE POST OFFICE DEPARTMENT.

The business of the Post Office Department is a reliable index to the general condition of the country and the postal receipts for the last fifteen years show conclusively that our people have been prosperous and our business more active since the return of the Republican party to power than ever before in the history of the country. The following table gives the figures of receipts for the years indicated:

(Dem.)	1893.....	\$75,896,933.16
(Dem.)	1894.....	75,080,479.04
(Dem.)	1895.....	70,983,128.19
(Dem.)	1896.....	82,499,208.40
(Dem.)	1897.....	82,665,462.73
	1898.....	89,012,618.55
	1899.....	95,021,384.17
	1900.....	102,354,379.29
	1901.....	111,631,193.39
	1902.....	121,848,047.26
	1903.....	134,224,443.24
	1904.....	143,582,624.34
	1905.....	152,826,585.10
	1906.....	167,932,782.95
	1907.....	183,585,005.57

The increase of nearly \$108,000,000.00 in fifteen years shows a truly marvelous development.

### Rural Delivery.

The responsibility for the permanent introduction of the wonderful system of delivery of mail to rural communities in the United States belongs to the administration of President McKinley and its continuation and remarkable development to the administration of Roosevelt. The service is now in operation on 39,270 routes, serving 16,000,000 people.

In 804 counties the service is so complete that all of the people outside of cities can receive their mail by rural letter carriers.

During the fiscal year beginning July 1, 1908, the cost of the service will exceed \$35,500,000.

The material benefits which it has brought to rural communities are incalculable. Subscriptions to newspapers, both local and metropolitan, have increased enormously, and farmers are able to keep advised of the daily market quotations and to sell their products to the best advantage. The increased circulation of newspapers and periodicals has made the service of great educational value, broadening the minds of the people through a better knowledge of the affairs of the outside world and engendering a desire for intellectual development. As a further result of the installation of the rural delivery service thousands of miles of roads have been improved, thus increasing farm values in some cases twenty-five per cent. No other agency has contributed so largely to making farm life more attractive.

### The Investigations and Their Result.

None of the reforms following the investigation of 1903 was more important or resulted in greater benefit to the general public than that which was effected in the office of the Assistant Attorney General, in pursuance of which many hundreds of fraudulent schemes and lottery enterprises have been suppressed. Most of these schemes had grown up and flourished in consequence of the failure to enforce the statutes authorizing their suppression, and through their operation losses aggregating many millions of dollars were annually suffered by people of small or moderate means and to whom such losses meant peculiar hardship. The strict and systematic enforcement of the



statutes empowering the Postmaster General to exclude from the mails matter of every kind relating to fraudulent schemes and lotteries and to withhold from delivery mail addressed to persons or concerns carrying on such enterprises, has reduced the number of such schemes to the minimum and protected the public from enormous losses.

#### **Millions Saved in Mail Transportation.**

The pay for railroad mail service is fixed by statute and based upon the average daily weight of mails.

Since 1873 it had been the uniform practice to use the number of week days in the weighing period as the divisor for determining the average daily weight in accordance with the construction put upon the words "working days." Postmaster General Meyer issued an order on June 7, 1907, following one issued in March, 1907, by Postmaster-General Cortelyou, having the same object in view, which provided that the whole number of days included in the weighing period should be used as a divisor for obtaining the average weight per day. It is estimated that the saving will approximate \$4,619,285 annually.

From October 1, 1908, the letter postage between this country and England, Ireland, Scotland, and Wales is two cents an ounce instead of 5 cents an ounce. This reduction is expected to result ultimately in an increase of receipts because it has always been found that a reduction of the letter rate resulted finally in increasing the revenue. The lower postage will lead also to freer commercial intercourse. Our manufacturers are increasing their sales in the United Kingdom and must rely to a great extent upon the mails for orders and additional trade. Further, it will be a great boon to our adopted English-speaking citizens and their connections in this country, particularly those of limited means, as it will enable them to keep up correspondence with their relations and friends in the old countries at domestic rates.

#### **Postal Savings Banks.**

The leading governments of the world have postal savings banks, with the exception of the United States and Germany, the latter country, however, having a splendid system of municipal savings banks. Since 1872 the introduction of such a service has been discussed in the United States, and the measure now before Congress which was favorably reported on by the Senate Committee on Post Offices and Post Roads will become a law at the next session. Its enactment is desired in order to encourage economy and thrift among the wage-earners and people of moderate means, and to afford a place of deposit, free from any possibility of doubt or suspicion, for small savings, which in the aggregate amount to vast sums of money and which are otherwise hoarded and kept out of circulation through ignorance or lack of confidence.

More than seven million immigrants landed in this country during the last ten years, and nearly a hundred million dollars were sent out of the country last year by these people. In many instances it has been found that, for want of postal savings banks, money orders are being bought payable to the purchaser, good for one year.

#### **Improved Conditions.**

It has been the aim of the Post Office Department to improve the conditions under which its employees work, namely:

By shortening the hours of labor.

By basing promotions entirely on merit rather than favoritism, and by securing legislation that provides for annual increases in salaries as the employees prove their worth.

The postal service itself has been further improved by the introduction of better business methods. Without materially increasing the expense, the Department has secured more commodious and better equipped post office quarters throughout the country, to the greater convenience of the people and advantage to the service.

#### **Appointment of Postmasters.**

The policy of retaining in office postmasters who are performing their duties satisfactorily has resulted in improving the efficiency of the service.

*Postal statistics of the United States, from 1790 to 1907.*  
[From official records of the Post Office Department.]

Year.	Number of post-offices.	Extent of post routes in miles.	Miles of mail service performed.	Number of rural routes.	Gross revenue of Department.	Gross expenditure of Department.	Ordinary postage stamps issued.	Letters, etc., registered.	Amount of domestic money orders issued.	Amount of international money orders issued.	Number of mail pieces of all kinds mailed.
1790	75	1,875			\$87,985	\$32,140	216,370,680	500,774	81,360,122		500,000
1800	903	29,817	5,000,000		280,894	213,994			34,051,184		
1810	2,300	89,406			552,366	495,969			77,431,251		
1820	4,500	72,492			1,111,927	1,160,026			100,352,818		
1830	8,450	115,176			1,850,583	1,932,708			117,858,921		
1840	13,468	156,789			4,513,522	4,718,236			113,819,521		
1850	18,417	178,672			5,562,971	5,212,953			113,819,521		
1860	28,498	240,594			8,518,067	19,170,610			119,646,064		
1870	42,840	347,776			14,568,159	13,094,728			115,081,845		
1875	55,547	423,840			19,772,221	23,098,837			114,262,757		
1880	68,960	483,888			26,791,990	33,098,837			120,066,301		
1885	84,388	551,272			33,315,479	36,512,804			127,576,431		
1890	98,660	605,251			42,560,844	50,046,235			132,230,135		
1895	115,176	685,443			51,004,744	60,000,104			135,047,092		
1900	138,457	778,672			62,697,176	76,850,846			144,443,697		
1905	156,789	893,976			80,832,048	96,259,548			156,041,410		
1907	168,406	943,406			100,175,611	119,317,119			158,792,455		
1891	67,119	447,691			55,795,357	66,259,548			144,947,081		
1892	68,403	453,583			60,832,048	73,019,519			145,050,551		
1893	69,805	454,746			70,930,475	78,019,519			145,050,551		
1894	70,064	456,026			76,983,128	86,730,173			145,050,551		
1895	70,367	468,313			82,409,208	90,629,296			145,050,551		
1896	71,022	470,032			85,065,467	94,077,212			145,050,551		
1897	71,022	470,032			89,012,618	98,033,623			145,050,551		
1898	71,022	470,032			95,021,618	101,639,160			145,050,551		
1899	73,000	480,461			102,354,570	107,740,297			145,050,551		
1900	75,000	494,948			111,681,193	117,039,697			145,050,551		
1901	76,915	511,808			121,848,047	124,392,472			145,050,551		
1902	78,924	507,540			131,294,443	138,784,487			145,050,551		
1903	79,109	506,268			144,582,024	152,369,116			145,050,551		
1904	80,818	506,818			152,826,585	167,399,169			145,050,551		
1905	81,131	510,903,514			167,932,782	178,449,778			145,050,551		
1906	81,500	515,185,591			183,585,005	190,238,288			145,050,551		
1907	82,650	524,725,747							145,050,551		
1891	67,119	447,691			55,795,357	66,259,548			144,947,081		
1892	68,403	453,583			60,832,048	73,019,519			145,050,551		
1893	69,805	454,746			70,930,475	78,019,519			145,050,551		
1894	70,064	456,026			76,983,128	86,730,173			145,050,551		
1895	70,367	468,313			82,409,208	90,629,296			145,050,551		
1896	71,022	470,032			85,065,467	94,077,212			145,050,551		
1897	71,022	470,032			89,012,618	98,033,623			145,050,551		
1898	73,000	480,461			102,354,570	107,740,297			145,050,551		
1899	75,000	494,948			111,681,193	117,039,697			145,050,551		
1900	76,915	511,808			121,848,047	124,392,472			145,050,551		
1901	78,924	507,540			131,294,443	138,784,487			145,050,551		
1902	79,109	506,268			144,582,024	152,369,116			145,050,551		
1903	80,818	506,818			152,826,585	167,399,169			145,050,551		
1904	81,131	510,903,514			167,932,782	178,449,778			145,050,551		
1905	81,500	515,185,591			183,585,005	190,238,288			145,050,551		
1906	82,650	524,725,747							145,050,551		
1891	67,119	447,691			55,795,357	66,259,548			144,947,081		
1892	68,403	453,583			60,832,048	73,019,519			145,050,551		
1893	69,805	454,746			70,930,475	78,019,519			145,050,551		
1894	70,064	456,026			76,983,128	86,730,173			145,050,551		
1895	70,367	468,313			82,409,208	90,629,296			145,050,551		
1896	71,022	470,032			85,065,467	94,077,212			145,050,551		
1897	71,022	470,032			89,012,618	98,033,623			145,050,551		
1898	73,000	480,461			102,354,570	107,740,297			145,050,551		
1899	75,000	494,948			111,681,193	117,039,697			145,050,551		
1900	76,915	511,808			121,848,047	124,392,472			145,050,551		
1901	78,924	507,540			131,294,443	138,784,487			145,050,551		
1902	79,109	506,268			144,582,024	152,369,116			145,050,551		
1903	80,818	506,818			152,826,585	167,399,169			145,050,551		
1904	81,131	510,903,514			167,932,782	178,449,778			145,050,551		
1905	81,500	515,185,591			183,585,005	190,238,288			145,050,551		
1906	82,650	524,725,747							145,050,551		
1891	67,119	447,691			55,795,357	66,259,548			144,947,081		
1892	68,403	453,583			60,832,048	73,019,519			145,050,551		
1893	69,805	454,746			70,930,475	78,019,519			145,050,551		
1894	70,064	456,026			76,983,128	86,730,173			145,050,551		
1895	70,367	468,313			82,409,208	90,629,296			145,050,551		
1896	71,022	470,032			85,065,467	94,077,212			145,050,551		
1897	71,022	470,032			89,012,618	98,033,623			145,050,551		
1898	73,000	480,461			102,354,570	107,740,297			145,050,551		
1899	75,000	494,948			111,681,193	117,039,697			145,050,551		
1900	76,915	511,808			121,848,047	124,392,472			145,050,551		
1901	78,924	507,540			131,294,443	138,784,487			145,050,551		
1902	79,109	506,268			144,582,024	152,369,116			145,050,551		
1903	80,818	506,818			152,826,585	167,399,169			145,050,551		
1904	81,131	510,903,514			167,932,782	178,449,778			145,050,551		
1905	81,500	515,185,591			183,585,005	190,238,288			145,050,551		
1906	82,650	524,725,747							145,050,551		

## DEPARTMENT OF THE INTERIOR.

It is now fifty-nine years since the Department of the Interior was established, being called in the enacting clause of the Act the "Home Department." Since its organization there have been added some very important Bureaus, notably the Geological Survey, the Reclamation Service and the Bureau of Education. Many other minor duties have also been added until it is now one of the largest of the Executive Departments.

During this period of more than half a century of gradual growth the procedure crystallized into many hard and fast rules and some years ago the time came for definite action toward a better adaptation to modern methods.

This has been one of the most important duties of the Secretaries during this Administration, and the present Secretary has given this phase of departmental work very earnest and thorough attention, with the result that there has been a remarkable improvement in methods in all the bureaus.

Plans have been adopted greatly facilitating the work of the Department, which is now practically up to date in all its branches. It may be truthfully said that the Department is to-day a practical business organization, daily improving in efficiency. The vast volume of business handled by this Department is now disposed of without unnecessary delay, and the enormous interests intrusted to its various bureaus are adjusted with the same care as heretofore.

This Department was fittingly designated in the original Act as the Home Department, because in many ways its operations affect more closely the individual citizen than those of any other Department.

Through the Land Office it has provided homes for millions of people and this great work is still going on.

Through the Geological Survey it is studying the public domain, classifying the land and investigating its resources.

Through the Reclamation Service it is making still more effective the operations of the public land laws for establishing homes for the citizens of our country.

Through the Indian Office it is not only caring for these wards of the nation, but is also providing for the use of large areas of waste land which the Indians can not profitably use.

Through the Patent Office it is affording opportunity for the development of the natural inventive genius of our people to advance the manufacturing interests and the comfort of home life.

Through the Pension Office it is giving proper care and assistance to the brave men who fought the battles of our country and to their widows and dependent heirs.

Through the Bureau of Education it is reaching down to the very foundation of our Nation's prosperity and promoting greater efficiency in our public school system and other educational institutions.

Truly it is a Home Department, and its influence is felt from many sides in every home in the land.

### General Land Office.

The administrative policy of the General Land Office for the past eight years has been to preserve the public lands in such a manner that as many citizens as possible may obtain homes, farms, and mines thereupon. The utmost vigilance has been maintained to prevent their unlawful acquirement, either by corporations or individuals. Suspensions made years ago which were not justified or which have served their purpose



have been revoked and during the past year some 2,000,000 acres of such lands have been restored to the public domain. Every effort has been made to bring up arrearages of work to the end that bona fide homestead and other claimants may secure their title as soon as possible, while at the same time unlawful entries and claims have been vigorously proceeded against. During the past five years fences unlawfully inclosing public lands have been removed from 3,518,583 acres, and suits have been recommended or other action taken to remove such inclosures from an additional 3,763,186 acres. During the past eight years \$516,501.52 have been collected by the Department for timber trespasses upon the public lands and cases have been referred to the Department of Justice for legal proceedings involving trespasses of \$3,007,621.94, of which amount there has been collected through judgment and compromise \$510,681. During the past eight years there have been secured in public land cases involving perjury, subornation of perjury, conspiracy, forgery, false affidavits, timber trespasses, and unlawful inclosures: 3,096 indictments; 871 convictions; 251 prison sentences; \$182,737 in fines, and there have been 577 acquittals; the remaining indictments are awaiting trial.

During the same period 7,874 fraudulent land entries have been canceled, thereby restoring to the public domain and to entry by citizens over 1,259,840 acres. From July 1, 1902, to May, 1908, there have been approved and patented 275,333 homestead entries, covering about 44,053,280 acres.

The interest manifested by the people in securing homes on the public domain is shown by the fact that since July 1, 1906 (1 $\frac{3}{4}$  years), 171,047 original homesteads and desert land entries have been made covering more than 28,375,400 acres. Coal and timber lands have been disposed of, so far as existing laws permit, in such a way as to place them in the hands of citizens who will in good faith use and develop them in such a way as to avoid monopoly and tend to the general good.

What was known as the Forest Reserve Lieu Act was passed for the relief of settlers whose claims were found to be within forest reservations, but it was found that instead of benefiting the settlers the law was being used by speculators to acquire large tracts of valuable public lands containing timber, springs and other resources of the public domain, which should be reserved for *bona fide* settlers; accordingly in 1905 the Republican Administration repealed the law.

Many homestead settlers were from various reasons unable to prove up on their claims and complete title thereto and under the existing laws the making of an entry exhausted their right and prevented their obtaining other homes on the public domain; accordingly in 1904 and in February, 1908, acts were recommended by the Department and passed by Congress giving to those who had lost, forfeited, or abandoned their homes the right to make second homestead entries in all cases where the original entries were not canceled for fraud or relinquishments sold. This will enable a great many citizens to find new homes upon the public land and large numbers are taking advantage of this beneficial legislation.

Within the next two years between 4,000,000 and 5,000,000 acres of public lands will be opened to settlement. Under the new plan adopted by the Land Office the drawings will be conducted in such a manner that every one who is eligible to take a homestead can register his or her name and stand an equal chance of securing the best claim in the reservation. This plan has been found to work admirably in the recent opening of several Indian reservations.

Under regulations adopted a number of years ago persons desiring to cut timber from public lands for their own use were required to file applications and secure permission from the Secretary of the Interior before they could cut the timber, no matter how urgent the need. Last year the Department adopted new rules whereby such persons can file their applications directly with a local field officer. The application is made special, and the field officer, if the application is found to be in good faith, can immediately permit cutting.

**Guarding the Nation's Coal.**

For the past few years there has been a widespread belief that the public coal lands were being improvidently disposed of and were falling into the hands of corporations and others who were able to control the output of the mines and fix their own prices on the coal. It was also found that large tracts were being obtained unlawfully under other than coal laws. In 1907 the existing laws were examined, and regulations were adopted to more fully carry out the intent of the law that coal lands should pass in limited quantities to good faith claimants, who had a personal interest in the lands and the development of coal. In order that coal areas might be defined and the kind and value of the coal more accurately known by the Department and by the people the Secretary of the Interior directed the Geological Survey to begin the work of classifying and valuing the public coal lands. The Administration is fully convinced that the present acreage, 160 acres, which may be entered under the coal land laws is too small to warrant a citizen in expending the money necessary for the equipment and operation of larger mines. The Department has therefore recommended, and Congress now has under consideration, legislation designed to permit citizens to enter a larger area of coal land, the entries however to be safeguarded so that the land cannot be made the subject of any combination in the form of an unlawful trust or conspiracy or in restraint of trade in the mining or sale of the coal.

This method of preventing monopoly has already been adopted in the Hepburn law passed by Congress this year, and relating to Alaska. The Alaska pioneers had discovered large bodies of valuable coal in the interior of Alaska and had under existing laws located and opened mines thereon, but were under those laws limited to such a small area that the mines could not be worked at a profit nor could the locators, in view of the remoteness of the lands, the price of supplies and labor, afford to install the necessary machinery for the mining from such a small claim. The Interior Department recommended early in 1908 that good-faith claimants owning adjoining claims in Alaska should be allowed to form partnerships or associations and combine sixteen of the small claims into one entry and patent. This enables them to obtain title and work their mines to furnish coal for local consumption and for the Pacific Coast States. The United States has under the law the right to purchase as much coal as may be needed from the mine for its Army and Navy at reasonable prices, and every safeguard possible has been placed in the law to prevent monopolies, unlawful trusts or combinations designed to restrain sale or mining of the coal. This legislation is of the utmost importance to the people, and the Administration deserves great credit for providing reasonable laws and regulations whereby honest citizens may obtain coal mines and where at the same time the rights of the public are safeguarded with respect to such a vital necessity as the coal supply.

**Indian Allotments.**

Since the 30th of June, 1904, more than 15,000 Indians have received allotments of lands in severalty, covering approximately 2,500,000 acres of land.

These allotments have been made, generally, either under what is known as the "Dawes Act," or acts containing similar provisions. The object of the law is to break up the tribal system and community property by substituting individual ownership and citizenship.

Under the Dawes Act the allottee was secured in the possession of his allotment for a period of twenty-five years, as the Act provided that the land should be held in trust by the United States for that period and at the end conveyed to the allottee or his heirs in fee.

He was, however, compelled to assume the burdens of citizenship upon the approval of his allotment, and thus many Indians have become full-fledged citizens without any compensation of the privileges or responsibilities of citizenship.

The conditions arising under this provision of the law made plain the need of some modification which would enable the Indian Office to manage the affairs of the helpless class with undisputed authority, but, on the other hand, to remove from the roll of wards and dependants the large and increasing number of Indians who no longer need supervision by that Bureau.

The Act of May 8, 1906 (known as the "Burke Act"), meets the requirements by postponing the acquisition of citizenship until the termination of the trust period and declaring that until the allottees acquire citizenship they shall be subject to the exclusive jurisdiction of the United States. It provides for those who are competent to manage their own affairs by conferring authority on the Secretary of the Interior to terminate the trust period and issue a fee simple patent whenever he is satisfied of such competency.

Under this Act 2,206 patents in fee have been issued.

During this period 23,308 leases of allotted lands for farming, grazing, and business purposes have been entered into and approved.

By these leases temporary homes have been provided for thousands of white citizens and large areas, which otherwise would have lain idle and unproductive, have been put in cultivation.

#### **Tribal Lands—Permits for Grazing Stock.**

434 permits for grazing stock upon Indian tribal lands have been issued from which a revenue of \$984,422.80 has been received.

Tribal grazing leases covering 5,379,177.51 acres have been approved, the annual rental amounting to \$619,180.19.

These tribal funds are deposited in the Treasury to the credit of the respective tribes, and expended for their benefit or paid per capita to the members, in the discretion of the Secretary.

#### **Sugar Beet Farming.**

A paragraph in the Indian Appropriation Act of March 1, 1907, permits the Indians of the Fort Belknap Reservation in Montana to lease their lands, both allotted and tribal, but not to exceed 20,000 acres, for the culture of sugar beets and other crops in rotation, upon such terms, regulations, and conditions as shall be prescribed by the Secretary of the Interior, for a term not exceeding ten years.

Under this authority a contract has been executed with three responsible persons for a lease to them of 19,000 acres. By the terms of the lease the Indians are to plow and put under cultivation 5,000 acres, which has to be carefully worked over the first year to put in beets the next year. The Indians are to receive \$4.50 per ton for the beets. The lessees are to erect a factory for the manufacture of the beets into sugar, and take the product of the 5,000 acres each year. This will afford employment for the Indians and if they are able to cultivate all of the 5,000 acres will yield them a revenue of at least \$270,000 per annum.

#### **The Geological Survey.**

The United States Geological Survey, when organized in 1879, under a Republican administration, became a pioneer agency in the internal development of the country. The field covered in the varied work of this bureau is that of the mineral wealth of the nation. Its geologists have investigated the economic possibilities of the utmost corners of the land and by exhaustive studies of the larger mining districts have contributed directly to the working knowledge of the mine engineers and operators. Even in distant Alaska the work of the Geological Survey is recognized as of very great practical importance to the development of that young giant territory. The survey maps are not only eagerly sought by prospectors and miners, but they are in continual demand in all the great engineering enterprises. Here the Federal service has made its



best record, for its investigations and reports on Alaska are widely credited with being an important factor in the development of the large and increasing production of the precious and useful metals of the Territory.

The statistical work of the Survey in its reports on the production of the precious and useful minerals of the country is recognized as of the greatest value to the mining industry. No such comprehensive treatment of the subject of production and distribution of the mineral wealth of a country is found in the world as that of the United States Geological Survey.

Among other things, the Survey is constructing, at the rate of about 250 square miles a step, a great topographic map of the United States—a "mother map" of the country—and it is making one of these steps every third day. That is, it is issuing that often a topographic sheet which thus becomes a part of the big map. Over 1,700 of these sheets have already been engraved and about one-third of the United States has been covered. When completed this will be the greatest map in the world. Our topographic maps have become the models for the map-making bureaus of many foreign nations.

With one of these maps spread before him a man may trace the course of every stream, or accurately locate every mountain and hill, with the exact knowledge of their steepness and altitudes. The map is in effect a physical reproduction of the surface of the country, on a small scale. It is easy to see, then, its use not only to the engineer who may want to plan great irrigation or drainage systems or to determine the best route for 100 or 1,000 miles of railroad lines, but as well to the farmer or ranchman who wishes to drain the swampy corner of his farm or to lay out a wagon road between his ranch and that of his neighbor. The topographic survey, then, includes all the surface features, while the geologic survey adds information concerning not only the rocks and soils exposed to the surface, but indicates what is beneath and foretells with remarkable accuracy what excavations may encounter, to a depth of hundreds and even thousands of feet.

#### Hydrographic Surveys.

One of the important works of the Geological Survey is its study of the water resources of the country. Records of daily flow of streams have been collected at over 1,500 points throughout the United States for a period of years, in order to determine the average flow of the rivers. During the past year about 500 such stations have been maintained. Knowledge of floods, low stages and average discharge of rivers is essential if streams are to be utilized in power development, in irrigation and drainage and as contributing to inland navigation. These investigations of the Survey show conclusively that tens of millions of now wasted horsepower can be conserved and cheaply developed through the use of natural mountain reservoirs at the head waters, for flood storage. They show further that the use of these same flood-control reservoirs will save tens of millions of dollars annually through flood prevention, and still further that they will be of enormous aid to irrigation in the West and to navigation in the East through the letting down into the river channels the stored floods, during the low-water or irrigation periods.

The value of the topographic and hydrographic surveys in the development of the country in general has been very great; but a single striking example of their use from a government standpoint is seen in the successful work of the Reclamation Service. Taking as a basis these surveys, the Reclamation Service, immediately upon its organization, was able to pick out feasible projects and begin, not surveys and investigations, but actual construction work. The integrity of these great irrigation works rest upon the records of stream flows which the Geological Survey, thanks to the Republican legislative foresight, had collected for years previous to the passage of the irrigation act, and the brilliant and rapid achievement of the

service is due to the extent and thoroughness of these preliminary basic investigations.

And so with the drainage problem; should Congress enact a national drainage law to-day, the wisely provided preliminary work of the Geological Survey could be used as a basis for the immediate construction of a number of great swamp reclamation projects and the creation of many homes.

#### **For Prevention of Mine Accidents.**

The recent great mining disasters and the increasing number of coal mine explosions throughout the country, and other mine accidents, resulting in an appalling loss of human life, have aroused the country to the need for action to prevent or diminish, if possible, these horrors. In response to the urgent demand of both labor and capital, Congress at its last session appropriated \$150,000 to be expended by the Geological Survey in investigating this subject. A Division of Mine Accidents has been established and good results are expected, since statements already issued by the Survey show that mine accidents and the consequent loss of life have been greatly reduced in foreign countries, due to governmental investigations and study of the conditions affecting mining operations.

At an experimental station of the Survey being established at Pittsburgh under this appropriation, tests of the various dynamites and powders used in blasting coal will be made, in order to determine the safest explosives in the presence of fire damp, coal dust, etc. In connection with the station there will be an experimental mine, with drifts, headings, rooms, ladders, etc., which can be filled with smoke or gas and practical experiments made with life-saving apparatus. Miners will be taught how to wear this apparatus and how to rescue their comrades from the vapors should they become unconscious following an explosion. The results of the investigations will be published for the benefit of the State mine bureaus, operators and miners. Simple instructions will be printed, from time to time, in half a dozen languages.

#### **Coal Land Values Fixed.**

The development of internal resources has been the aim and the accomplishment of the present administration; but no more than has been prevention of wasteful and fraudulent exploitation of such resources. In no field of Republican guardianship of the people's rights does the wise statesmanship of the administration shine more brightly than in the management of the nation's coal supply. The government still owns between seventy and eighty million acres of known coal fields in the West. The common knowledge of the waste in the operation of the older coal fields as well as the monopolization of great coal-producing areas by corporations and syndicates desiring to hold without developing them or allowing others to develop them for the needs of the public, suggested to the administration an investigation of the Western fields where the government is still the major owner. This investigation quickly brought to light the fact that large areas of valuable coal lands had been acquired by corporations through gross fraud, perjury, and bribery, under agricultural land laws. A fearless interpretation of the coal land law itself recognized that the price which the Government had always charged for coal land, namely, \$10 and \$20 an acre (according to whether the coal lands lie within or without the 15-mile railroad limit) was only the minimum price. In spite of a veritable storm of protest, the President immediately withdrew from all entry 67,000,000 acres of Western public coal lands and the Geological Survey began at once the classification and valuation of this land, under regulations fixing the price at from the minimum of \$10 to \$20, to \$100 an acre. The effect of the President's withdrawal was not only to stop immediately the sale of public coal lands at an undervaluation, but it checked the gigantic frauds in acquiring such lands, under the homestead, desert, and other land laws.

In order, however, that legitimate operations might not be hampered unduly the work of classification has been prosecuted with great vigor and already over 50,000,000 acres of this withdrawn land have been classified and valued by the Survey and restored to public purchase. Valuations have been fixed from \$10 up to \$75 an acre. These valuations made by the coal geologists of the Survey are not the result of mere classification made in the Washington office, but of actual geologic field investigations, in the course of which the geologist examined each 40 acres, upon which he put a valuation as coal land. This economic work of the administration is not only securing to the government a more nearly adequate return for property of great value, but is preventing the monopolization of great areas of coal.

Of course, bitter opposition has developed in many instances where individuals and corporations were acquiring lands of great value at the low price of \$10 or \$20 an acre, or through fraud and perjury at \$1.25 per acre. The correction of the evil, however, has met generally with the hearty approval of the people of the country. An idea of the extent of the losses suffered by the Government may be deduced from the results of coal land classifications by the Geological Survey, in which the fact was developed that one coal company in a single coal field in a Western State had legally purchased 13,128 acres at the \$10 to \$20 an acre rate, while it had acquired 15,800 acres as "agricultural land," and of this last, 13,280 acres had absolutely no value for agriculture.

#### **Fuel and Structural Material Tests.**

A governmental activity for which Republicans may justly take great credit—one of the many results of the wise statesmanship and legislative foresight of the party—is the practical testing and experimental work of the Geological Survey. Congress first provided for these economic investigations of the natural products of the United States in 1905 and has appropriated a total amount of over a million and a quarter dollars; but the beneficial results from the work have been so great and far-reaching that had the appropriation been quadruple or even ten times this amount, the nation would have been reimbursed by the values saved. To cite one or two instances: An important result attained in fuel investigations is the establishment of the fact that the low-grade bituminous coals and lignites of the country, of which there are tens of millions of acres heretofore considered of but slight industrial value, can be converted into gas and used in the gas engine with more than double the efficiency attainable under the steam boiler. In other words, the discovery has doubled the value of these coals. This applies also to millions of tons of inferior coal which in mining operations is annually left underground and permanently lost.

The investigations also show that some of the peats, found in great abundance in the New England, North Central and Atlantic States, but heretofore considered of little value, may be used to advantage as a source of power in the gas producer, either for local farm purposes or for large power plants, and also that it is practicable and economical to make briquets, a superior and smokeless fuel, out of the millions of tons of slack and coal dust now wasted annually.

In the tests of structural materials, most important results have been attained. The increasing use of reinforced concrete has shown the great need of scientific information. These investigations have all been made for the benefit of the Government—Federal buildings and other engineering works, such as the great irrigation structures in the West, the Panama Canal construction, etc.—but here, as in the case of the fuel investigation, the general public is the greatest gainer from the results.

**All of these scientific-economic investigations, experiments and tests of the Government, fostered, encouraged, and provided for by Republican legislation, should be continued and extended upon the economical development of our natural resources**



pende in very large measure the continuance of our national supremacy and the prosperity of our people, and these evidences of wise statesmanship and forehanded legislation show that the party of progress can be relied upon, in the future as in the past, to carry out such policies, which; while under the strict wording of the appropriation acts are for the uses of the government, are in reality for the benefit of all the people of the country.

#### The Reclamation Service.

The Reclamation Act, which was signed on June 17, 1902, by President Roosevelt, is to-day generally recognized as one of the wisest laws ever enacted by Congress, as beneficent as it was necessary. It inaugurated a step exactly in line with the administration's broad policy of the conservation and development of the natural resources of the country, and is regarded as second only in importance to that other great Republican enactment—the Homestead law.

Under the provisions of the law, national irrigation already has become a most important factor in Western development, in the building up of commonwealths and prosperous agricultural communities. The economic value of the work cannot be measured in dollars and cents. Our unoccupied public lands, which belong to all of the people, are largely desert. To make them habitable is a national duty too obvious to be questioned. The future prosperity and growth of sixteen Western States and territories are linked inseparably with the development of irrigation. The desert reclaimed will support millions in comfort in homes of their own, thus providing a safety valve against the impending dangers of congestion of population in the older settled portions of the country. Conservative engineers estimate that at least twenty-five million acres of land now desert and uninhabited will be converted into small farms under the provisions of the reclamation law. This vast area, capable of supporting millions of people, will be brought into cultivation without entailing the loss of a single dollar to the national treasury, as the land reclaimed is assessed for the benefits received and the landowner must return to the Treasury the cost of reclamation.

The Reclamation Service, now a separate bureau of the Department of the Interior, has had charge of the engineering work from its inception. Notwithstanding the enormous area of country embraced in the arid States—two-fifths of the United States—the Service has already completed surveys and perfected estimates for twenty-six irrigation projects, and is engaged upon the construction of twenty-five of these. On a number construction work has progressed sufficiently to irrigate large areas which have been settled upon, and are now producing crops. No better evidence of the wisdom of the law, and the business-like and the practical methods of its administration could be submitted than the fact that homes are actually being made in large numbers on the land reclaimed, and the cost of the work is being returned by the settlers.

A summation of the work of the Reclamation Service to January 1, 1908, shows that it has dug 1,881 miles of canals, or nearly the distance from New York to Idaho. Some of these canals carry whole rivers, like the Truckee river in Nevada, and the North Platte in Wyoming. The tunnels excavated are 56 in number, and have an aggregate length of 13½ miles. The Service has erected 281 large structures, including the great dams in Nevada and the Minidoka dam in Idaho, 80 feet high and 650 feet long. It has completed 1,000 headworks, flumes, etc. It has built 611 miles of wagon road in mountainous country and into heretofore inaccessible regions. It has erected and in operation 830 miles of telephones. Its own cement mill has manufactured 80,000 barrels of cement, and the amount purchased in addition is 403,000 barrels. Its own sawmills have cut 3,036,000 feet B. M. of lumber, and 23,685,000 feet have been purchased. The surveying parties of the Service have completed topographic surveys covering 10,970 square miles, an area greater than the combined areas of Massachusetts and

Rhode Island. The transit lines had a length of 18,900 linear miles, while the level lines run amount to 24,218 miles, or nearly sufficient to go around the earth.

The diamond drillings for dam sites and canals amount to 66,749 feet, or more than 12 miles. To-day the Service owns and has at work 1,500 horses and mules. It operates 9 locomotives, 611 cars, and 23 miles of railroad, 84 gasoline engines and 70 steam engines. It has constructed and is operating 5 electric light plants. There have been excavated 42,447,000 cubic yards of earth and rock. The equipment now operated by the Service on force account work represent an investment of a million dollars.

This work has been carried on with the following force: Classified and registered service, including Washington office, 1,126; laborers employed directly by the Government, 4,448; laborers employed by contractors, 10,789, or a total of all forces of 16,363. The expenditures now total nearly \$1,000,000 per month. As a result of the operations of the Reclamation Service, eight new towns have been established, 100 miles of branch railroads have been constructed, and 14,000 people have taken up their residence in the desert.

#### **Pension Legislation of the Republican Party.**

During the last four years of this administration the work in the Pension Bureau has been brought up to date. A claim for pension is now taken up for action as soon as it reaches the files of the Bureau. Its early adjudication depends entirely upon the promptness with which the claimant furnishes the evidence called for by the office. If sufficient evidence be filed with the application for pension it is possible that a certificate may be issued to the pensioner within two weeks from the date the application is filed.

There has been a decrease of nearly \$700,000 in the expenses of conducting the affairs of the Bureau during the last four years, the expenses during the last year being the smallest since 1886. At one time the number of employees in the Pension Bureau was over 2,000. There has been a gradual reduction in the number of such employees, until at the present time there are less than 1,400. This reduction has been accomplished mainly by allowing the vacancies which occur through death, resignation, etc., to accumulate instead of filling them as they take place, thus avoiding the necessity for dismissals on this account.

Notwithstanding this reduction the number of certificates issued during the last twelve months is greater than during any previous twelve months since the establishment of the Pension Bureau, nearly 400,000 certificates being issued during the past year.

The Act of June 27, 1890, passed by a Republican Congress and signed by a Republican President, was the first disability pension law in the history of the world, granting to soldiers and sailors pensions for disability not proven to have been incurred in the service and line of duty. This was the most far-reaching pension legislation enacted after the close of the Civil War and recognized a higher obligation of the people to their disabled veterans than was ever before formulated into law. Previous to 1890 pensions for service in the Civil War were granted only to those who were wounded in the service or who had contracted some disability therein, and likewise pensions were granted only to widows, minor children, and dependent parents of those who died from injuries received or disabilities contracted in the service. The Act of June 27, 1890, granted pensions to all persons who served ninety days or more during the Civil War and who were disabled from earning a support by manual labor, without requiring the applicant to prove that the disability or disabilities were incurred in the service. The Act also granted pensions to dependent widows of all such persons without requiring them to prove that their husbands died of wounds received or disabilities contracted in the service. The rate of pension under the Act of June 27, 1890, was from \$6.00 to \$12.00 per month to the survivors o

the Civil War in accordance with the degree of disability, and \$8.00 per month to all widows.

The most important pension legislation enacted since the passage of the Act of June 27, 1890, was the Act of February 6, 1907, also passed by a Republican Congress and signed by a Republican President, granting pensions to certain enlisted men, soldiers and officers, who served in the Civil War and the War with Mexico. Under this Act any person who served 90 days or more in the military or naval service of the United States during the late Civil War or 60 days in the War with Mexico and who was honorably discharged is entitled to a pension of \$12.00 per month on reaching the age of 62 years, \$15.00 per month on reaching the age of 70 years and \$20.00 per month on reaching the age of 75 years. While the rates to survivors under the Act of June 27, 1890, were from \$6.00 to \$12.00 per month, the rates provided by the Act of February 6, 1907, are from \$12.00 to \$20.00 per month. Nearly 400,000 applications for the benefit of this Act have been filed in the Bureau and more than 350,000 certificates have been issued thereunder, making an average increase to each pensioner of about \$53.00 per annum.

The legislation next in importance is the Act of April 19, 1908, to increase the pensions of widows, minor children, etc., of deceased soldiers and sailors of the late Civil War, the War with Mexico, the various Indian wars, etc., and to grant a pension to certain widows of the deceased soldiers and sailors of the late Civil War. Under this Act all widows, minors, and helpless children on the rolls at a less rate were increased to \$12.00 per month, and the widows of those who served ninety days during the Civil War and who received an honorable discharge therefrom, are entitled to pension under this Act, provided they were married prior to June 27, 1890, dependence not being considered. This Act granted an increase of pension to some 200,000 widows and children of deceased soldiers and sailors of the Civil War and the War with Mexico and the various Indian wars. Pensioners were not required to file an application in the Bureau of Pensions to secure the increased rate provided by the Act of April 19, 1908, as the Pension Agents were instructed to pay all pensioners on the roll affected by this Act at the increased rate at the first quarterly payment occurring after the passage of said Act. More than 60,000 pensioners received payment at the increased rate at the quarterly payment which occurred on May 4, 1908—only fifteen days after the passage of the Act, and the entire number of pensioners entitled to the benefits of this Act receive payment at the increased rate within three months after the passage of the Act. The applications for original pension received under the Act of April 19, 1908, were given immediate attention, and in about thirty days after the approval of the Act the Bureau was issuing more than 100 certificates per day thereunder to widows whose names were not previously on the pension rolls.

The number of pensioners on the rolls is now slightly in excess of 950,000 and the average amount paid out in pensions each month is nearly \$13,000,000. There are about 625,000 survivors of the Civil War on the pension roll at the present time. As more than 2,500 of these survivors are dropped from the rolls each month on account of death, the importance of having their claims promptly adjudicated will be readily appreciated. The work in the Bureau of Pensions is now in such a condition that an application for increase of pension will be settled and the pensioner, if entitled to the increase, will receive such increase at the first quarterly payment falling due after the filing of the claim. Notwithstanding the fact that the work of the Bureau during the past year was the greatest in amount during its history, a balance of nearly \$400,000 which had been appropriated by Congress for the running expenses of the Pension Bureau remained unexpended at the close of the last fiscal year and was turned back into the Treasury.

The amount of money paid in pensions by the Government each month was a very great factor in relieving the money stringency during the few months following October, 1907. In order that this money might be distributed as widely as possible and benefit the neighborhoods in which the pensioners were located, the ad-



ministration directed that all Postmasters who had funds available should accept pension checks from pensioners and pay cash therefor. The Postmasters by this means were able to forward the pension checks to their depositories and obtain credit therefor, instead of forwarding the actual cash. This increased the circulating medium in each neighborhood throughout the country in which pensioners were located to the full extent of the pension paid, thus greatly benefiting not only the pensioners but the banks and the entire business community as well.

*The number of pensioners upon the rolls July 1, 1907, and for three preceding years, respectively, is as follows:*

	1904.	1905.	1906.	1907.
Revolutionary war:				
Widows	1	1	1	
Daughters	2	4	3	3
War of 1812:				
Survivors	1			
Widows	918	776	660	558
Indian wars:				
Survivors	2,367	2,269	2,173	2,007
Widows	3,519	3,461	3,367	3,201
War with Mexico:				
Survivors	5,214	4,540	3,964	3,485
Widows	7,821	7,653	7,488	7,214
Civil war:				
General law—				
Invalids	240,785	219,384	205,375	178,816
Widows	77,414	77,620	76,810	75,629
Fathers	1,765	1,410	1,097	873
Minor children	875	769	662	599
Mothers	7,895	6,643	5,519	4,578
Brothers and sisters	192	195	205	224
Helpless children	450	472	479	489
Act of June 27, 1830				
Invalids	450,007	465,224	461,078	349,283
Widows	161,067	169,066	175,237	180,539
Minor children	4,067	4,177	4,167	4,082
Helpless children	226	250	274	292
Act February 6, 1907				
Army nurses	606	603	579	542
War with Spain:				
Invalids	12,440	15,711	17,616	19,091
Widows	1,012	1,068	1,091	1,100
Minor children	224	272	298	316
Mothers	2,715	2,957	3,061	3,070
Fathers	430	473	512	527
Brothers and sisters	8	9	9	11
Helpless children		1	1	2
Regular establishment:				
Invalids	9,501	10,030	10,648	11,076
Widows	2,351	2,453	2,498	2,526
Minor children	111	115	120	122
Mothers	633	714	783	821
Fathers	93	108	130	133
Brothers and sisters	8	6	5	5
Helpless children	5	7	8	8
<b>Total</b>	<b>994,762</b>	<b>998,441</b>	<b>985,971</b>	<b>967,371</b>

On July 31, 1902, there were 1,001,494 pensioners on the rolls. The following table shows the annual decrease in the roll since that date and the loss by death for each year:

	Number of pensioners on the rolls.	Number of pensioners dropped by death.
June 30, 1903	996,545	40,907
June 30, 1904	994,762	43,820
June 30, 1905	998,441	43,883
June 30, 1906	985,971	43,300
June 30, 1907	967,371	45,763
March 31, 1908	954,613	31,122
<b>Total</b>		<b>252,800</b>

*Assuredly it is unwise to change the policies which have worked so well and which are now working so well.—President Roosevelt's speech accepting 1904 nomination.*

The cost of the pension system per capita of population is shown for certain years as follows:

Year.	Number of pensioners.	Total cost of pension system.	Total population.	Cost per capita of population.
1898 -----	966,012	\$161,774,372.36	66,349,000	\$2.44
1898 -----	993,714	148,765,971.26	72,947,000	2.04
1903 -----	996,545	141,752,870.50	80,847,000	1.75
1907 -----	967,371	139,106,087.48	85,817,239	1.62

Disbursements for pensions and for maintenance of pension system, 1866 to 1907.

Year.	Paid as pensions.	Cost, maintenance, and expenses.	Total.	Number of pensioners.
1879 -----	\$33,064,428.92	\$837,734.14	\$34,502,163.06	243,755
1880 -----	56,687,229.08	935,027.28	57,624,256.36	250,808
1881 -----	50,583,405.35	1,072,059.64	51,655,464.99	263,830
1882 -----	51,313,172.05	1,466,236.01	52,779,408.06	286,067
1883 -----	60,427,573.81	2,501,648.29	63,019,222.10	309,669
1884 -----	57,912,387.47	2,835,181.00	60,747,568.47	322,758
1885 -----	65,171,937.12	3,392,576.34	68,564,513.46	345,126
1886 -----	64,091,142.90	3,245,016.61	67,336,159.51	363,783
1887 -----	73,752,997.08	3,753,400.91	77,506,397.99	406,007
1888 -----	78,950,501.67	3,515,037.27	82,465,538.94	459,557
1889 -----	88,812,720.53	3,466,968.40	92,309,688.93	489,725
1890 -----	106,093,850.39	3,526,382.13	109,620,232.52	537,944
1891 -----	117,312,690.50	4,700,636.44	122,013,326.94	576,100
1892 -----	136,394,147.11	4,898,685.80	144,292,832.91	576,066
1893 -----	156,908,637.04	4,867,734.42	161,774,372.36	596,012
1894 -----	139,986,726.17	3,963,976.31	143,950,702.48	598,544
1895 -----	139,812,294.30	4,338,020.21	144,150,314.51	570,624
1896 -----	138,220,704.46	3,991,375.61	142,212,080.07	570,678
1897 -----	139,949,717.35	3,987,783.07	143,937,500.42	576,014
1898 -----	144,651,879.80	4,114,091.46	148,765,971.26	593,714
1899 -----	138,355,052.05	4,117,517.73	142,502,570.06	591,519
1900 -----	136,462,130.65	3,841,706.74	142,903,837.39	593,529
1901 -----	136,531,483.84	3,868,795.44	142,400,279.28	597,766
1902 -----	137,504,207.99	3,831,378.06	141,335,646.95	599,446
1903 -----	137,759,653.71	3,693,216.79	141,752,870.50	596,545
1904 -----	141,093,571.49	3,819,366.25	144,942,937.74	594,768
1905 -----	141,142,861.33	3,721,832.62	144,861,694.15	596,441
1906 -----	139,000,288.25	3,523,269.51	142,523,557.76	595,971
1907 -----	138,155,412.46	3,309,110.44	141,461,522.90	597,371
<b>Total -----</b>	<b>3,501,570,279.46</b>	<b>110,051,513.73</b>	<b>3,611,621,793.19</b>	

#### AN ACT

Granting pensions to certain enlisted men, soldiers, and officers who served in the Civil War and the War with Mexico.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any person who served ninety days or more in the military or naval service of the United States during the late Civil War, or sixty days in the war with Mexico, and who has been honorably discharged therefrom, and who has reached the age of sixty-two years or over, shall, upon making proof of such facts according to such rules and regulations as the Secretary of the Interior may provide, be placed upon the pension roll, and be entitled to receive a pension as follows: In case such person has reached the age of sixty-two years, twelve dollars per month; seventy years, fifteen dollars per month; seventy-five years or over, twenty dollars per month; and such pensions shall commence from the date of the filing of the application in the Bureau of Pensions after the passage and approval of this Act: *Provided*, that pensioners who are sixty-two years of age or over, and who are now receiving pensions under existing laws, or whose claims are pending in the Bureau of Pensions, may, by application to the Commissioner of Pensions, in such form as he may prescribe, receive the benefits of this Act; and nothing herein contained shall prevent any pensioner or person entitled to a pension from prosecuting his claim and receiving a pension under any other general or special Act: *Provided*, that no person shall receive a pension under any other law at*

the same time or for the same period that he is receiving a pension under the provisions of this Act: *Provided, further, that no person who is now receiving or shall hereafter receive a greater pension under any other general or special law than he would be entitled to receive under the provisions herein shall be pensionable under this Act.*

SEC. 2. That rank in service shall not be considered in applications filed hereunder.

SEC. 3. That no pension attorney, claim agent, or other person shall be entitled to receive any compensation for services rendered in presenting any claim to the Bureau of Pensions, or securing any pension under this Act.

Approved, February 6, 1907.

# AN ACT

To increase the pensions of widows, minor children, and so forth of deceased soldiers and sailors of the late Civil War, the War with Mexico, the various Indian wars, and so forth, and to grant a pension to certain widows of the deceased soldiers and sailors of the late Civil War.

*Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That from and after the passage of this Act the rate of pensions for widows, minor children under the age of sixteen years, and helpless minors as defined by existing laws, now on the roll or hereafter to be placed on the pension roll and entitled to receive a less rate than hereinafter provided, shall be twelve dollars per month; and nothing herein shall be construed to affect the existing allowance of two dollars per month for each child under the age of sixteen years and for each helpless child; and all Act or parts of Acts inconsistent with the provisions of this Act are hereby repealed: *Provided, however, That this Act shall not be so construed as to reduce any pension under any Act, public or private.**

SEC. 2. That if any officer or enlisted man who served ninety days or more in the Army or Navy of the United States during the late Civil War, and who has been honorably discharged therefrom, has died, or shall hereafter die, leaving a widow, such widow shall, upon due proof of her husband's death, without proving his death to be the result of his army or navy service, be placed on the pension roll from the date of the filing of her application therefor under this Act at the rate of twelve dollars per month during her widowhood, provided that said widow shall have married said soldier or sailor prior to June twenty-seventh, eighteen hundred and ninety; and the benefits of this section shall include those widows whose husbands, if living, would have a pensionable status under the Joint Resolutions of February fifteenth, eighteen hundred and ninety-five; July first, nineteen hundred and two, and June twenty-eighth, nineteen hundred and six.

SEC. 3. That no claim agent or attorney shall be recognized in the adjudication of claims under the first section of this Act, and that no agent, attorney, or other person engaged in preparing, presenting, or prosecuting any claim under the provisions of the second section of this Act shall, directly or indirectly, contract for, demand, receive, or retain for such services in preparing, presenting, or prosecuting such claim, a sum greater than ten dollars, which sum shall be payable only upon the order of the Commissioner of Pensions, by the pension agent making payment of the pensions allowed; and any person who shall violate any of the provisions of this section, or who shall wrongfully withhold from the pensioner or claimant or any part of a pension or claim allowed or due such pensioner or claimant under this Act shall be deemed guilty of a misdemeanor, and upon conviction thereof shall, for each and every such offense, be fined not exceeding five hundred dollars or be imprisoned at hard labor not exceeding two years, or both, in the discretion of the court.

Approved, April 19, 1908.



# DEPARTMENT OF AGRICULTURE.

## **Work of the McKinley-Roosevelt Administration in Behalf of the Farmer.**

During the last eleven years Presidents McKinley and Roosevelt have aimed to bring the Department of Agriculture to the help of our farmers in all sections of the country and have instructed the Secretary of Agriculture to use all endeavors to help the tiller of the soil toward greater efficiency and more economic production; to make the American acre more potent in growing crops. The Congress during the last eleven years has quadrupled the amount of money invested in agricultural research and demonstration, to give the American farmers help in their operations on the farm, to feed our people well and cheaply, and enable them to compete with the outside world. It has provided for over two thousand scientists, specialists in their respective lines, who are in touch with our farmers in all sections of the country, gathering information and preparing it for issue in departmental publications, of which nearly seventeen million pieces were given out in 1907 to go into our country homes, dealing directly with what is uppermost in the minds of our growers of plants and animals at the time of publication.

## **Science Applied to Development of Agriculture.**

The education of specialists in applied science to meet the demand for research under the Federal Government and under State institutions has become a prominent feature of departmental work. Graduates of our agricultural and other colleges are drafted into the Department of Agriculture and prepared for scientific research along the lines demanded by the producers of our country under all our varied conditions. Within the last eleven years nearly sixteen hundred young men have had post-graduate instruction in the sciences of agriculture. The Department of Agriculture and the State experiment stations are actively cooperating with regard to unsolved problems that affect the farmer throughout our States and Territories and in the islands of the sea that have lately come into our possession.

New markets for our surplus production are being sought in foreign countries, and scientific inquiry is being made into the preparation of our exports for foreign markets. Uncertainty with regard to the magnitude of our crops at home is being removed by careful statistical inquiry, to the end that more accurate knowledge with regard to production may mitigate the evils of speculation. Inquiry is also being made into the productions of competing countries, in order that the American farmer may know what he has to meet in foreign markets.

## **New Products for American Farms.**

Strenuous efforts are being made to encourage the home production of articles we have been importing from foreign countries. During the last eleven years there has been an increase in the production of sugar from beets which makes the product of 1907, amounting to 500,000 tons, over thirteen times that of 1896 and its value fifteen times. Eleven years ago we produced only one-fourth of the rice consumed in the United States. The fostering work of the Federal Government has enabled the rice growers to produce more than the equivalent of our home consumption and foreign markets are being sought for the surplus. There was an increase in the production of rice from 97,000,000 pounds in 1896 to an average of 716,000,000 pounds during the last four years.

Scientific research by the Bureau of Soils demonstrates the fact that we can produce at home the fine tobaccos for which we have been paying over twenty million dollars a year to foreign

countries. Our explorers have searched foreign lands for grains, legumes, fiber plants, teas, etc., for introduction into sections of the United States suitable to their production. The producing area for grains has been extended westward into the dry regions of our country through the introduction of plants that are at home where the rainfall is light. Nearly fifty millions of bushels of wheat are being grown in regions that have heretofore been unproductive.

#### **Eradication of Diseases of Farm Animals and Products.**

The Federal Government is studying the diseases of domestic animals with a view to their complete eradication. Our animals and their products go to foreign countries with bills of healthfulness. The American meats are the most wholesome in the world, as the world now knows. An imported disease of domestic animals was promptly stamped out within a year at an expenditure of \$300,000, to prevent it from spreading throughout the country among our herds and flocks. Rigid inspection against foreign countries having animal diseases is maintained at our ports of entry, in order to protect the health of our domestic animals.

Within the last eleven years the Government has become thoroughly equipped to deal with plant diseases. The loss of half a million dollars annually was stopped by pathological examination of our sea-island cottons. New varieties of fruits, cereals, cottons, etc., are being created by hybridizing to meet the demands of producers of these crops in the North and in the South.

Our forests have been mostly destroyed and our mountains, the natural reservoirs for water, have been rendered incapable of retaining moisture. Efforts are being made to reforest the country, to prevent fires, to regulate grazing in our forests, and to study lumbering and forest products.

The Federal Government is making inquiry into road material and a beginning has been made in the education of young men toward road building. A laboratory has been established in the Department of Agriculture for the study of materials with which to construct roads; and rocks, gravels, clays, tiling, cement, concrete pavements, stone, brick, wood, and asphaltum are being studied.

The Central American boll weevil, now the greatest menace to the cotton crop of the United States, is being actively studied as it increases its range, and means of control have been devised which make the growth of cotton nearly as profitable as ever. The insect enemies of other great staple crops are being investigated throughout the country, and the gypsy and brown-tail moths, which are threatening the forest areas of New England, are being checked and brought into measurable control by the agency of the Federal Government in cooperation with State authorities. The losses occasioned by insect pests in general amount to hundreds of millions annually, and much of this loss may gradually be prevented by the kind of work done by the Department of Agriculture.

The practicability of growing tea in the United States is being demonstrated, and extensive experimentation is being made in the production of silk.

The atmosphere in its relations to agriculture and commerce is being carefully studied and trained meteorologists for the first time in our history are being detailed from the Department of Agriculture to give lectures in institutions of learning, in order that we may have scholars in the land along this line of inquiry, to the end that the farmer and the mariner may have all the protection that intelligent forecasting can give them.

#### **The Meat Inspection and Pure Food Laws.**

On June 30, 1906, by the approval of President Roosevelt, the *Meat Inspection Amendment* became a law. Under the provisions of this amendment the Federal Government guarantees to the people of the United States that the meat shipped in interstate commerce is derived from animals which are free from disease at the time of slaughter and that meat food products from these

animals are prepared in clean packing houses, under sanitary conditions, and without the addition of any injurious or deleterious drugs, chemicals, or preservatives. The United States now has the most stringent and the best enforced meat inspection law of any country in the world, and it is a great protection to the health and lives of the people. Over 2,500 employees are directly engaged each working day in the year in the enforcement of the law.

On the same day, June 30, 1906, President Roosevelt approved the *Pure Food Law*. This law covers all foods, with the exception of meats, including beverages, and also drugs which enter interstate or foreign commerce. By its terms, articles of food or drink must not contain any injurious or deleterious drug, chemical, or preservative, and the label upon each package of food, drugs, or drink must state the exact fact, and must not be false or misleading in any particular. While this law does not cover foods, beverages, and drugs which are produced and consumed entirely within the limits of one State, yet its enactment has incited the legislatures of the different States to enact laws covering domestic products of a like nature. These laws very generally follow the national act as to form and detail, the only difference being that one affects interstate and foreign commerce, while the other affects the internal commerce of the State. Inspectors are continually traveling throughout the United States to discover whether the terms of the law are being observed, and they have found, upon the part of manufacturers and dealers, a very general compliance with the law. When violations of the law are observed, they are at once prosecuted by the Department of Justice and the guilty parties are punished.

#### **The Farmer and the Balance of Trade.**

During the eighteen years, 1890-1907, the average annual excess of domestic exports over imports amounted to \$337,000,000 and during the same time the annual average in favor of farm products was \$362,000,000, from which it is apparent that there was an average annual adverse balance of trade in products other than those of the farm amounting to \$25,000,000, which the farmers offset and had left \$337,000,000 to the credit of themselves and the country.

Taking the business of 1907, the comparison is much more favorable to the farmers than during the eighteen-year period, since the value of domestic exports of farm products over imports was \$444,000,000.

During the last eighteen years there was a balance of trade in favor of farm products, without excepting any year, that amounted to \$6,512,000,000. Against this was an adverse balance of trade in products other than those of the farm of \$456,000,000, and the farmers not only canceled this immense obligation, but had enough left to place \$6,056,000,000 to the credit of the nation when the books of international exchange were balanced.

These figures tersely express the immense national reserve sustaining power of the farmers of the country under present quantities of production.

The health of our people is being safeguarded by inquiry into importations of food from foreign countries that contain substances deleterious to health. The United States is no longer the dumping ground for food stuffs that are forbidden sale in the countries where they originate.

An aim of the Department is to make the American independent with regard to everything that can be produced in our latitudes. Corps of scientists have been placed in each of the new island groups that have lately come under our jurisdiction for the purpose of helping them to produce what can not be grown in the continental United States.

The Department of Agriculture is furnishing information regarding the requirements and possibilities of irrigation, both in the arid regions of the United States and as an aid to agriculture in the humid East. This inquiry determines the amount of water needed to give the best results, the time when it should be



applied, and the methods of application best suited to different localities and different crops. The evils of too much water, resulting in the ruin of large areas which were highly productive a few years ago, are being investigated, with a view to preventing not only the ruining of crops which get too much water, but of those on equally fertile soil which are deprived of the necessary water supply. The economic use of water and the introduction of plants from foreign countries where the rainfall is light are extending crop growing over large areas that have been unproductive.

See "Agricultural Prosperity," and "Value of the Factory to the Farmer."

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We know what we mean when we speak of an honest and stable currency. We mean the same thing from year to year.—President Roosevelt's speech accepting 1904 nomination.

The greatness of our Nation, as shown in the struggle of the Civil War, is now everywhere recognized, and in the perspective of forty years there is none to decry or belittle it.—Hon. Wm. H. Taft, at Riverside Park, New York.

Class appeals are dishonest \* \* \* ; they calculate to separate those who should be united, for our economic interests are common and indivisible.—Maj. McKinley to Commercial Traveling Men's Republican Club, September 26, 1896.

A currency worth less than it purports to be worth will in the end defraud not only creditors, but all those who are engaged in legitimate business, and none more surely than those who are dependent upon their daily labor for their daily bread.—Hayes.

The enormous effort of the whole people as a Nation, and the burdens they gladly assume to maintain the national integrity, and to cut out the cancer of slavery that was eating away our national life, do not grow any less, from an historical standpoint, as the decades pass.—Hon Wm. H. Taft, at Riverside Park, New York.

Fate has decreed, and her decrees are forever irreversible, that we shall dwell in perpetual union. Political demagogues, for selfish ends, and senseless agitators cannot disturb the ties which bind us together with more than a Titan's power.—Hon. C. W. Fairbanks, at Lancaster, Mass., June 30, 1903.

The only substantial steps which have been really taken to stop the abuses and oppression attempted by the irresponsible holders of great wealth and corporate power, have been by the Republican party.—Hon. Wm. H. Taft, at Greensboro, North Carolina.

The menace of 16 to 1 still hangs over us with all its dire consequences to credit, confidence, business, and activity; the enemies of sound money are rallying their scattered forces. The people must once more unite and overcome the advocates of repudiation.—President McKinley to the Notification Committee, July 12, 1900.

In spite of the general comfort, there have been made manifest by signs not to be misunderstood, a quickening of the public conscience and a demand for the remedy of abuses, the outgrowth of this prosperity, and for a higher standard of business integrity. Every lover of his country should have a feeling of pride and exaltation in this evidence that our society is still sound at the core.—Hon. Wm. H. Taft, at Columbus, Ohio.

Money indebtedness is not the only obligation we incurred and assumed in the great civil war. There was a still greater debt, an everlasting obligation that could never be paid in full. But in the years that have followed, the Republican party has inaugurated and developed pension laws under which over three and one-half billion dollars have been paid to disabled veterans or to the survivors of those who gave their lives for their country and their flag. This pension system, a product of the policy of the Republican party, has no precedent in history and no equal in justice and generosity among the nations of the earth.—Hon. James S. Sherman.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure: BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

## THE DEPARTMENT OF COMMERCE AND LABOR.

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This newest of the nine executive departments of the government has been developed under the McKinley-Roosevelt administration. It was created by the Act of February 14, 1903, which makes it the province and duty of the department "to foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, shipping, and fisheries industries, the labor interests, and the transportation facilities of the United States." The department was organized by Hon. George B. Cortelyou as the first Secretary of Commerce and Labor. On his appointment as Postmaster-General he was succeeded by Hon. Victor H. Metcalf, of California, who in turn was succeeded in December, 1906, by Hon. Oscar S. Straus, of New York. Secretary Straus has had a varied experience in both business and public life, peculiarly qualifying him to discharge the duties of his position. He has stated his policy as head of the department to be "to do for labor everything that the law permits the department to do, and to give to manufacturers all the knowledge the department can secure; in short, to conduct the department for the best interests of the industrial classes, employers and employees alike."

The Bureau of Immigration and Naturalization has entered upon an important new phase of work in preventing fraudulent and careless practices in conferring citizenship upon foreigners. Another piece of constructive work undertaken by this Bureau is the collection and dissemination of information regarding opportunities for immigrants in different sections of the country. The Bureau of Corporations is a bureau of publicity with reference to industrial combinations, and its reports have served to terminate or prevent serious evils, quite aside from the value of its investigations in prosecuting wrong-doers. The work of these two bureaus is more fully described elsewhere in this volume.

### **Bureau of the Census.**

Of the Government's statistical bureaus the largest is the permanent Census Office, created in 1902 and attached to the Department of Commerce and Labor on its organization. In the intervals between the decennial counts of population the Census Bureau is occupied in preparing reports on a large number of special subjects, including a manufacturing census taken midway between the censuses of population and published in the form of bulletins. The Bureau publishes annual statistics of cities of thirty thousand or more population, of births and deaths, and of the supply and distribution of cotton. The Census Bureau issues cotton-ginning reports semi-monthly, and arrangements have been made with the statistical bureau of the Department of Agriculture by which the reports of the two bureaus on cotton production are brought into harmony with each other, and made public so far as possible on the same dates and in such a manner as to reduce to a minimum any possible disturbing effect upon the markets.

The establishment of the permanent Census Bureau has made possible a much needed work for the local registration of births and deaths, resulting in a rapid improvement of American vital statistics. The municipal statistics compiled by this bureau have resulted in checking undue extravagance and correcting unwise parsimony, and are thus among the most important agencies for improving municipal government.

### The Bureau of Labor.

The Bureau of Labor was originally organized at the beginning of 1885 under the Department of the Interior. In 1888 it was made an independent department (though under a commissioner and not a secretary), but on the establishment of the Department of Commerce and Labor it naturally became a bureau in the new department. Its inclusion in this department was opposed by some labor interests, ambitious to have a Secretary of Labor with a seat in the Cabinet, but labor organizations now express themselves as satisfied with immediate representation in the Cabinet through the Secretary of Commerce and Labor.

The purpose of the Bureau of Labor is "to acquire and diffuse among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of that word, and especially upon its relation to capital, the hours of labor, the earnings of laboring men and women, and the means of promoting their material, social, intellectual and moral prosperity" The publications of the bureau consist of annual statistical reports on various subjects affecting the interests of labor, a series of additional special reports, and a bi-monthly bulletin containing articles of timely interest, and also, in each issue, digests of state labor reports and of foreign labor and statistical documents, current labor legislation, and court decisions affecting labor. At present the bureau is engaged mainly upon an exhaustive investigation of all the conditions surrounding woman and child labor in this country, from which important results, both scientific and legislative, are expected.

The Erdman Act of 1898 provides that whenever a controversy arises between an interstate railroad and its employes seriously interrupting or threatening to interrupt the business of the railroad, the Chairman of the Interstate Commerce Commission and the Commissioner of Labor, at the request of either party to the controversy, are required to use their best efforts to settle the same by mediation and conciliation, or, failing such amicable settlement, by arbitration, and in recent years it has been successfully employed in a number of cases. A detailed statement regarding the work of this important Bureau is published on another page.

The interest of the present Administration in the welfare of the wage-earners of the country has reflected itself particularly in the activities of the Bureau of Labor.

As a result of the exposure of the labor conditions in the packing-houses of Chicago, in which work the Bureau of Labor cooperated, the working conditions of thousands of men and women wage-earners have been greatly improved.

Through the investigations made by this Bureau and the co-operation of the Department of Justice, prosecutions have been instituted for violations of the eight-hour law on Federal work, and a more effective enforcement of this important law has been secured.

It was largely through the investigations and reports of the Bureau of Labor on the subject that the interest was aroused which secured the passage of the compensation act for Government employees, which represents the first large recognition on American statute books of a principle vitally important to wage-earners, and one of the most notable steps that has yet been taken in comprehensive social legislation.

One of the most important developments in recent years touching the relations of wage-earners and employers has undoubtedly been the appearance of Government representatives in industrial disputes. Under a law passed by a Republican Congress the chairman of the Interstate Commerce Commission and the Commissioner of Labor are constituted a board of mediation in any industrial dispute affecting railways engaged in interstate commerce and their employees engaged in train operation.

The services of this board are available in any such dispute, upon the application of either side. In the past two years over twenty appeals have been made to this board for mediation in large and important disputes, and in some instances in the large



est and most important disputes that have ever threatened in the railroad world. In no case in which the services of the mediators have been invoked before the strike occurred has it failed to bring about a peaceful adjustment of existing difficulties, and one that was accepted as satisfactory by both sides. The enactment and the administration of this law would probably be pronounced by those who have had experience of its advantages as one of the most important services that the Government could render to the interests of wage-earners.

#### The Bureau of Manufactures.

It is the special province of the Bureau of Manufactures to foster, promote, and develop the manufacturing industries of the United States and markets for the same at home and abroad. This it does mainly by gathering and publishing information concerning industries, trade conditions, and trade markets, Consular reports of commercial interest are transmitted from the State Department to the Department of Commerce and Labor and issued by the Bureau of Manufactures in its *Daily Consular and Trade Reports*, together with occasional reports from special agents of the Department engaged in collecting information abroad for the benefit of American manufacturers. When information is received which is believed to be of special importance to particular industries, as, for example, by pointing out particular points for the sale of their product, it is communicated directly to those most concerned, a plan much appreciated by the manufacturers. Samples and photographs of all kinds of cotton goods sold in China, for example, have been obtained and distributed to commercial bodies and textile schools, and the agent who studied British cotton manufactures afterwards conferred with manufacturers in the South, explaining British methods and showing samples. Thus the information obtained is made of the utmost possible practical value to American industries. The Bureau of Manufactures collates and arranges the tariffs of foreign countries in convenient form for the information of exporters, and also publishes an annual volume on "Commercial Relations of the United States."

#### A National Council of Commerce.

With a view to bringing the Bureau of Manufactures and the Department generally into closer touch with commercial bodies, such as manufacturers' associations, chambers of commerce, and boards of trade, a National Council of Commerce has been organized on the initiative of Secretary Straus, with an advisory board as the direct means of communication. It is hoped that all the commercial bodies in the country will join the Council of Commerce, and that it will prove of much value as a practical guide to the work of the Department in promoting commerce, and especially as a medium for the exchange of commercial information.

#### The Bureau of Navigation.

The Commissioner of Navigation has general superintendence of the merchant marine of the United States. His reports are a veritable mine of information relative to the shipping industries, and also contain suggestions regarding desirable amendments to the navigation laws. Under the Bureau of Navigation are shipping commissioners stationed at all the principal ocean ports. Their functions are to superintend the engagement and discharge of seamen, to see that the men engaged go on board at the proper time, to facilitate the making of apprenticeships to the sea service, and to keep registers of the names and characters of seamen, thus serving as employment agents with power to enforce the provisions of law for the protection of the interests of seamen. Through their efforts "shanghaiing" and "crimping," the chief evils connected with the sea service, are being systematically and effectually stamped out.

### **The Steamboat Inspection Service.**

Secretary Straus has actively interested himself in the improvement of the Steamboat Inspection Service, with important results in greater safety of travel by water. The annual inspections required by law having proved an insufficient guaranty of safety, he has ordered that all excursion and ferry boats, and so far as possible other passenger vessels, shall be inspected four times a year. All new life-preservers are examined, with the result that very few defective ones are now manufactured, and none are allowed to be used. Explosions are guarded against by testing boiler plates at the mills. During 1907 the number of fatal accidents to steamboats showed a marked diminution.

### **Aids to Navigation.**

No less important are the steps which have been taken for the improvement of the Lighthouse Service. Standard models have been adopted for Lighthouse tenders and light-vessels, which will be more economical and at the same time more efficient than the old models. The experimental introduction of incandescent oil vapor as an illuminant has proved so successful in increased candle power and diminished consumption of oil that the new system is being installed as rapidly as the available funds permit. The work of the Coast and Geodetic Survey in publishing tide tables, detailed instructions to pilots, and other practical information, is also of much value to navigators.

### **The Bureau of Standards.**

The Bureau of Standards, created in 1901, has been developed in the few years of its existence into an important source of precise scientific authority of great value both to scientific investigators and to commercial interests and consumers. Its work is of great assistance both to industrial establishments and to other scientific laboratories; and it cooperates with municipal authorities in the establishment of their testing plants by verifying their standards and otherwise. Conferences of state and local officials on the weights and measures of the United States are held annually, under the auspices of the Bureau, and together with the published proceedings are serving to awaken interest in the use of accurate commercial weights and measures, and promoting uniformity in their inspection.

### **The Bureau of Fisheries.**

The Fish Commission, formerly an independent establishment, was transformed into a bureau of the Department of Commerce and Labor on its organization. The Bureau of Fisheries is doing an important work in the introduction and propagation of useful fishes and shellfish. Many millions of fish eggs and young fishes are supplied every year to state fish commissions, and eggs are also exchanged with foreign countries. The bureau also gives expert advice to state officials and to individuals on matters connected with fish culture, capture, and markets. Promising experiments are being made in the artificial fattening of oysters, and experimental sponge plantations have been established in Florida in order to develop a commercial system of sponge culture.

### **Bureau of Statistics.**

The Bureau of Statistics, which receives, analyzes and publishes the statistics of the foreign commerce of the United States, has enlarged its scope of operations to include records of the internal commerce on the great lakes and at interior trade centers, and a statistical abstract of the trade of the principal countries of the world. Its statistical abstract of the United States contains much miscellaneous information, in condensed form, regarding population, industries, commerce, and business conditions in the United States at the latest available date, compared with that of earlier years.

**Work of the Bureau of Immigration and Naturalization**

The past four years have constituted a period of importance unprecedented in the history of immigration of foreigners into the United States. Not only is this true as to the numbers that have come to us in that time, but even to a more marked extent with respect to the supervision that has been exercised and the new and important steps taken and advanced methods adopted to solve a very interesting and vitally important economical problem.

On March 3, 1903, an immigration act, more comprehensive and far reaching than any theretofore passed by Congress, was approved by the President. On the first of the following July, the Bureau of Immigration was transferred to the then recently organized Department of Commerce and Labor, and regulations were promulgated and detailed plans arranged for carrying out the will of the people, as expressed by Congress, with respect to a restriction along certain lines of the influx of aliens. As new experience was added to that gained in enforcing prior legislation, and more adequate revenues secured under the increase of the head tax on aliens to \$2 per capita, it was possible to bring about more and more effective measures to attain the two objects of the law. It is worth while to note what those two objects are, for they are a true indication of what the declared policy of the United States is with respect to immigration. In the first place, then, the law (or certain features of it) is intended to protect the American laborer, skilled or unskilled, from an unfair, and possibly eventually disastrous, competition with the laborers of foreign countries, and thereby maintain the high standards of living which have for so long been the pride, not only of the laboring classes, but of all true and right-thinking citizens of this country. And, secondly, the law contemplates the object of preventing the entry of foreigners who, by reason of some individual defect—moral, mental or physical—are not thought to be desirable additions to our body politic; not of foreigners generally, nor of any particular race or class of foreigners, but of those who are individually unfit.

The energies of the Bureau of Immigration have been directed to the accomplishment of these two objects, and such efforts have, particularly in the past four years, been rewarded with remarkable success; for by the beginning of that period the rules and regulations for the application of the terms of the statute to the existing practical situation had become thoroughly operative at all points.

In February, 1907, the Congress again took an advanced position with respect to immigration, passing the new Immigration Act which was approved by the President on the 20th of that month. While this act added to prior law in no radical or even marked respect (with two exceptions hereinafter mentioned) it contained a number of minor changes, suggested by the experiences of four years' enforcement of the Act of 1903, removing difficulties of administration and strengthening clauses designed, by the attachment of penalties to certain kinds of violations, to produce discouragement of evasions and violations of the law's spirit; so that it constitutes a distinct advance in the right direction on the question of the exclusion of undesirable aliens.

Thus, throughout the period under consideration, it has been possible to proceed with ever increasing effectiveness in the rejection at the ports of this country of aliens whose moral standards render them undesirable, or who are insane, idiotic, feeble-minded, or otherwise mentally deficient, or who are afflicted with tuberculosis or loathsome or dangerous contagious diseases, or who are paupers or likely to become charges upon the public, or who are seeking to enter in pursuance of prearranged employment and therefore to the detriment of domestic labor within the meaning of the law; and to also proceed with the removal from the country of those found, within three years after entry, to be unlawfully here for reasons of like character. In this latter respect special efforts have been made to bring about the removal from the United States of anarchists and other criminals, by making the best use of the machinery furnished by the law and in addition securing the cooperation of the local police authorities throughout the country.



### Contract Labor Excluded.

In no respect has this strengthening of the law been more marked and effectual than in the clauses relating to contract labor; and as the enforcement of the new statute is proceeded with, it is anticipated, in the light of results already accomplished, that it will be of almost incalculable benefit to American laboring men. By making the terms of these particular clauses more comprehensive, and at the same time more specific, Congress has furnished the Government with an instrument with which to more effectually than ever before prevent the importation of foreign laborers by the apprehension of such laborers at the ports, and by the still better method of convicting and punishing parties who attempt to make importations. Thus, in section 2 of the Act, an alien contract laborer is declared to be a person who has been "induced or solicited to migrate to this country by offers or promises of employment, or in consequence of agreements, oral, written, or printed, express or implied, to perform labor in this country of any kind, skilled or unskilled;" and in section 4 it is declared to be a "misdemeanor for any person, company, partnership, or corporation, in any manner whatsoever, to prepay the transportation or in any way to assist or encourage the importation or migration of any contract laborer or contract laborers into the United States," so that, as has recently been held by one of the District Courts, it is still possible, as it was under the old law, to proceed civilly under section 5, for a penalty of one thousand dollars for each offense, and also possible, as was not the case before, to proceed criminally in certain violations for the imprisonment of the offender under section 4 of said act taken in conjunction with section 5440 of the Revised Statutes. The advantages of the new law on contract labor are, therefore, obvious, and the laboring men of the United States are to be congratulated on the strengthening of their bulwark of defense against foreign competition.

### Fraudulent Naturalization Checked.

The act of June 29, 1906, changed the designation of the Bureau of Immigration to the "Bureau of Immigration and Naturalization," and placed under that Bureau all matters concerning the naturalization of aliens. The centralization in this Executive Department of the supervision over the process of naturalization renders it practicable to greatly diminish, if not entirely to eliminate, fraud by preventing illegal naturalization based on false testimony. It also enables the Government to more readily detect irregular and fraudulent naturalization and to cancel certificates of naturalization hitherto illegally obtained. These results are accomplished by means of investigations by the naturalization examiners, and in the short period which has intervened since the act became operative rapid progress has been made in the enforcement of this distinctly reformatory measure. No piece of legislation enacted in recent years transcends this act in importance or promises more for the uplift and moral improvement of our alien population. The "inestimable heritage of citizenship" was daily being cheapened and degraded, when the President appointed, in the spring of 1905, an executive commission to investigate and report to him on the subject of naturalization in the United States, the report of which commission was referred to Congress and formed the basis of the reform measure above mentioned. While quite likely, as the administration of the law is proceeded with, some changes in detail may be found necessary or expedient, it can be confidently stated that this piece of legislation, as it has been and is now being applied by the Naturalization Division of the Bureau, working in harmony with the Department of Justice, constitutes an enormous stride towards the attainment of ideal conditions with respect to conferring citizenship upon foreign born residents of this country. From being in many respects a purely perfunctory procedure, naturalization has been changed into a dignified and even impressive ceremony, and the methods of making application and preparing therefor have been improved from an almost chaotic condition into a carefully safeguarded system.

Certificates of citizenship are no longer miscellaneous illy printed slips of common paper, but are engraved documents of beauty and value, prepared in such a manner as to be practically incapable of being counterfeited. And the foreigner is rapidly being taught that citizenship of this great Republic is not a boon to be lightly and carelessly conferred or to be accepted in a spirit of thoughtlessness or levity; but is a privileged state into which he can gain entrance only by a display of his fitness therefor, and the observance of set and absolute requirements. In the short period this division has existed, nearly 50,000 petitions for naturalization have been filed; about half of which have been granted and certificates of naturalization issued thereunder, and about 1,200 denied, the balance remaining pending.

#### **Finding Employment for Immigrants and Workmen for Employees.**

By section 40 of the Act of February 20, 1907, Congress made provision for the establishment in the Bureau of Immigration and Naturalization of a Division of Information, which might, under the terms of the law and in view of the evident intent thereof, be more accurately designated as a "Division of Information and Distribution." This in many respects is the most important piece of legislation on immigration ever enacted. The main objection to the greatly increased immigration of the past decade is because of the congestion and the evils consequent thereupon in our larger Atlantic seaport cities. While some such cities have been complaining of the enormous increase of their foreign population, other and less densely populated sections of the country have been suffering to an infinite degree for lack of the labor necessary to a development of their resources. By this provision at least the nucleus has been formed for the building up of a system of distribution that will not only relieve the congested and sparsely settled sections, respectively, by more nearly balancing them, but at the same time will so place the aliens landing on our shores that they can with the greatest readiness be assimilated into our permanent population and eventually into the body of our citizenship. While the law is of very recent enactment, the Bureau has not been slow to seize upon its provisions for the amelioration of existing conditions, and notable and encouraging progress has even already been made in effectuating its purposes. The Division has been systematically organized under a competent chief in the Bureau at Washington; a branch office established and equipped in New York City; arrangements inaugurated for the procurement of reliable information from all sections of the country for distribution to aliens landing at the large ports; and active operations for the actual locating of settlers begun, nearly 500 having already at the very start been placed in desirable positions where their services are urgently needed.

In one other respect the new law contains a departure—one made particularly in deference to the wishes and needs of American labor. By a clause attached to section 1 thereof, provision was made "That whenever the President shall be satisfied that passports issued by any foreign government to its citizens to go to any country other than the United States or to any insular possession of the United States or to the Canal Zone are being used for the purpose of enabling the holders to come to the continental territory of the United States, to the detriment of labor conditions therein, the President may refuse to permit such citizens of the country issuing such passports to enter the continental territory of the United States from such other country or from such insular possession or from the Canal Zone." And in pursuance thereof the President, on March 14, 1907, issued a proclamation ordering that "Japanese or Korean laborers, skilled or unskilled, who have received passports to go to Mexico, Canada, or Hawaii, and come therefrom, be refused permission to enter the continental territory of the United States." Under this law and proclamation it has been possible even in the short period intervening to gradually bring about a fairly effective control of the influx of Japanese laborers at which the laboring men, particularly those of the West, were becoming somewhat alarmed.

For instance, the statistical records of the Bureau show that in the month of January, 1907, 1,359 aliens of the Japanese race were admitted to continental United States, as against 495 in January, 1908; that the admissions in February, 1907, and 1908, were 813 against 468; and that the figures for March of the two years were 1,033 against 491. As the regulations and machinery for the enforcement of the law and proclamation are perfected even a far greater decrease may be expected with certainty.

#### Enforcing the Chinese Exclusion Laws.

The statute books probably do not contain any legislation more difficult of exact enforcement than the Chinese exclusion laws. The fact that they differ so radically from other laws, added to the fact that in many sections of the country there is but little sympathy with the more severe portions thereof, operates against an efficient application of their provisions to peculiarly difficult conditions. Despite these circumstances and the fact that much criticism of a rather serious nature arose in certain quarters during the maintenance of the Chinese boycott against American products, commencing early in 1905, the endeavors to make said laws effective of their object, viz. the exclusion of Chinese coolies, have been constant, and have been by no means unproductive of results. The most serious difficulty, perhaps, of all those encountered in the administration of these laws, has been brought about by the apparently concerted efforts of smugglers and promoters residing in the United States and of persons in China interested in exploiting the Chinese laborer. Having this fact in view, as well as the mischief likely to result from the boycott, the claimed basis of which was the assertion that Chinese of the exempt classes, although in possession of the legal evidence of their status, were subjected to strict, time-consuming, and "humiliating" examinations upon arrival at ports of this country, the President, in the spring of 1905, adopted a course which has resulted in a great improvement of conditions in both China and this country; so that instances of the use of fraudulent certificates in securing the admission of Chinese coolies, and complaints of unduly exacting examinations of *bona fide* members of the exempt classes at ports of this country, have been reduced to a minimum; the boycott is a thing of the past, and the alarm it created is almost if not quite forgotten.

The enforcement of the Chinese exclusion laws along our land borders, which until a few years ago was almost impossible, has gradually been placed upon a workable basis. This is particularly true of the Canadian boundary, where conditions, comparatively, approach the ideal, and even on the Mexican border much improvement has been accomplished by the most strenuous exertions.

The policy has been to secure just so far as possible such an enforcement of the law as would protect the country from the entry of the coolie classes, and at the same time would give no offense to the Chinese nation or to those classes the exclusion of which is not intended and an encouragement of intercourse with which is apparently essential to the maintenance and advancement of our commercial relations with the great Eastern Empire. That these are the correct principles upon which to proceed is too obvious to call for any extended explication. That they have been pursued and are being pursued to the marked advantage of this country, commercially and otherwise, is readily capable of demonstration.

#### BUREAU OF CORPORATIONS.

The work of the Bureau of Corporations, a part of the Department of Commerce and Labor, is detailed in the chapter entitled "Control of Corporations."

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There has been considerable debate as to whether the Constitution follows the flag. No matter how diverse and conflicting our opinions may be on this subject, there is one opinion that we all entertain, and that is that the American school-house follows the flag.—Hon. C. W. Fairbanks, in U. S. Senate, February 22, 1902.



## TREASURY DEPARTMENT.

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The work of the Treasury Department is so intimately related to the questions of currency, revenue, commerce and current business conditions that it has been found necessary to include under the chapters on the Money Panic of 1907, the Currency Law of 1908, Prosperity, Commerce and the Merchant Marine many of the statements regarding the work of this department. The reader is referred to those chapters and to the index which occupies the opening pages of this book for those features of the work of the Treasury Department which do not appear in this chapter.

### CUSTOMS.

#### Drawback.

Under section 30 of the tariff act of 1897, providing for a refund of 99% of the duties paid on imported materials used in the manufacture of exported articles, nearly five and one-half million dollars were paid to the manufacturers of this country during the year 1907. In 1900 the duties refunded amounted to a little over three and one-half million dollars, an increase in 1907 of nearly two million dollars.

Applications by manufacturers for the establishment of rates for the allowance of drawback on their products have increased more than 125% since 1900, which shows that the drawback plays an important part in the establishment and maintenance of foreign trade. In many instances this rebate of duties has been the factor that enabled our manufacturers to successfully compete with foreign producers in the markets of the world.

Efforts have been directed towards relieving the regulations under which drawback is paid of all requirements involving difficulty on the part of the manufacturer in complying therewith, and to amending and simplifying the same to meet new conditions that arise, the object being to give to manufacturers the benefit of the drawback act, without disturbing their business methods or imposing upon them burdensome requirements. At the same time the revenue has been properly safeguarded.

#### Transportation of Foreign Merchandise Under Bond.

To facilitate importations to interior ports, the privileges of the act of June 10, 1880, known as the immediate transportation act, have been extended to both ports of entry and delivery.

The transportation of imported merchandise has been greatly simplified by the adoption of one form of bond for carriers for the various kinds of merchandise and a form of carriers' special manifest of a distinctive color for goods moving under transportation entries.

To facilitate further the transportation of merchandise destined from one foreign country to another across our territory, the individual bond of the shipper has been discontinued, such shipments now being charged against the general bond of the carrier.

Also a uniform system of bonding has been adopted whereby the common carrier is required to execute but one bond in the sum of \$100,000, and the penalties are fixed for failure to comply with the conditions of the bond.

These methods are better adapted to present business conditions.

#### Merchandise Imported by Mail.

During the past ten years many postal and parcels post conventions have been concluded between the United States and foreign countries under the terms of which dutiable merchandise may be imported. The growth of these conventions made necessary the preparation of elaborate regulations, in order, first, that

parcels might be promptly delivered to the addressees, and, second, that the revenue should be properly protected. After careful investigation by the Treasury and Post Office Departments joint regulations were issued which have greatly increased the efficiency of the service.

#### **Baggage.**

For many years complaints were lodged with the Treasury Department regarding delays incident to the passing through the customs of passengers and baggage from foreign countries. The practice was to assemble the passengers in a room on board the vessel on which they arrived and there have them prepare and subscribe to their baggage declarations. When this was done the baggage, upon arrival of the vessel at the dock, was unladen and examined. A careful investigation was set afoot in order to determine what relief, if any, might be granted in such cases. This investigation disclosed the fact that needless confusion, delay and inconvenience were due to the existing practice. Thereupon regulations were promulgated whereby the declarations of passengers are prepared aboard ship en route to the United States, delivered to an officer of the ship, and by him turned over to the customs officers upon reaching the United States. These declarations bear a coupon which is detached by the passenger at the moment of preparing his declaration and by him handed to the proper customs officer for identification upon arrival at the dock. By this method passengers do not come in contact with the customs officers until the vessel docks.

That the existing regulations on the subject have given general satisfaction is evidenced by the facts that complaints have ceased and many letters of commendation have been received.

#### **Life-Saving Service.**

The Life-Saving Service has been extended during the last four years by the addition of eight stations, making the entire number of stations now upon the sea and lake coasts of the United States 281. Many improvements have been made in the methods and apparatus employed in effecting rescues, the most notable being the successful application of motive power to the large self-lighting and self-bailing lifeboats.

It having become necessary to increase the inducements for retaining trained men in the service and securing competent recruits, the President, upon the recommendation of the Secretary of the Treasury, urged the matter upon the attention of Congress, with the result that an act was passed at the last session increasing the compensation of the field force as follows: District superintendents, \$200 per annum; keepers of stations, \$100; surfman No. 1 in each crew, \$5.00 per month; also a ration or commutation therefor at the rate of 30 cents per day for each keeper and surfman, equivalent to an increase for each man of \$9.12 per month. This legislation gives substantial recognition to a most worthy and deserving class of Government employees who pursue a dangerous calling, and who annually save hundreds of lives and many million dollars' worth of property.

Upon the recommendation of the Secretary of the Treasury, also, an act granting authority for the transfer from the Treasury Department Library to the life-saving stations of such books as may be no longer needed in that library, passed both houses of Congress at its late session, but not in time for enrollment and approval by the President before adjournment.

#### **Revenue Cutter Service.**

The act of April 16, 1908, "To increase the efficiency of the Revenue Cutter Service," is the most important piece of legislation in recent years for the improvement of the Revenue Cutter Service. It brought about a general reorganization in the upper grades in the interest of efficiency and good administration. Legislation of this character was recommended to Congress by Secretary Cortelyou, and the measure received his earnest support. Under this act two additional grades each in the line and Engineer Corps were established, thereby affording greater o

portunity to officers for advancement, with a corresponding increase in the life and strength of the corps. Twenty additional junior officers were authorized for duty as watch officers on the cruising cutters, which will enable the Department to properly officer the ships. The pay of the enlisted men was increased and provision made for placing them on waiting orders at three-fourths pay after thirty years of faithful service. This act has been followed by a marked decrease in the number of desertions and by an increase in contentment among the crews of the vessels.

An increase in the pay of commissioned officers was brought about by the Army Appropriation Bill, approved May 11, 1908, so that officers of the Revenue Cutter Service receive the same pay and allowances as officers of corresponding rank in the army.

During the past four years eleven vessels of all classes have been completed or authorized for the Revenue Cutter Service.

The Service has been making every effort toward rendering assistance to distressed vessels, and its success along these lines is attested by the fact that during the fiscal year ending June 30, 1907, the value of vessels assisted and their cargoes amounted to \$9,196,097.

#### **Bureau of Engraving and Printing.**

For some years past the quarters of this important branch of the Government service have been inadequate for the immense volume of business transacted, and extreme difficulty has been experienced owing to the necessity of crowding large numbers of employees into confined spaces. This condition of affairs will soon be remedied, however, for Congress, at its last session, upon the recommendation of the Secretary of the Treasury, authorized the purchase of a site and the erection of a building, and appropriated over two million dollars towards this purpose. The new building will embody the latest and most improved methods of construction, and will contain every provision for the health, safety, and comfort of the nearly four thousand employees that modern building and sanitary science can suggest.

In the past four years there has been an increase in the output of the Bureau in paper money and securities for general use of nearly thirty-two per cent, and an increase in the number of employees on the rolls for labor of twenty-two per cent. The five hundred million dollars (\$500,000,000) national currency authorized to be issued under act of May 30, 1908, is being produced at the rate of four million dollars (\$4,000,000) per day, so that in case an emergency should ever arise the currency can be distributed to relieve the situation without any delay.

#### **New Gold Coinage.**

For many years the inartistic designs of the coins of the United States have been the subject of criticism, no change except in minor details having been made in any of the coins for a number of years.

In 1904 President Roosevelt took up the question of securing more artistic designs for the coins of the United States, and through his efforts Augustus St. Gaudens, the greatest of American sculptors, was induced to undertake the preparation of designs of the double eagle and the eagle now being coined and placed in circulation.

It can be truthfully said that, without exception, the gold coins of the United States of the new design are the most artistic of those of any country in the world, the credit for which is due to the active interest taken by President Roosevelt successfully to accomplish this purpose.

#### **Public Health and Marine Hospital Service.**

A National Bureau of Health was established under the Treasury Department by an act approved July 1, 1902, which reorganized and added new public health duties to the United States *Marine Hospital Service*. An advisory board consisting of *sanitarians of established national reputations in their various lines of work* was appointed for consultation with the Surgeon-General of



the Public Health and Marine Hospital Service relative to the work, and investigations to be carried on in the Hygienic Laboratory then in course of construction. This laboratory was founded for the investigation of infectious and contagious diseases and matters pertaining to the public health. Under this auspicious arrangement much valuable public health work has been done by the public health service, including important investigations on the following subjects: 1. The presence and distribution of hookworm disease in the United States. This is a subject of great sanitary and economic importance to a large number of our Southern States. 2. The cause of the prevalence of typhoid fever in cities. Typhoid fever has for some time been unusually prevalent in many cities, and few sanitary subjects are of greater importance. 3. The relation of milk to the public health. This work has placed in the hands of health officers and physicians a report containing all available knowledge on the subject. Few questions are causing as much agitation and interest on the part of health officers and physicians as is that of milk, and possibly none are more important. The work done by the Service on the milk problem has been therefore of general utility. 4. The practical uses and application of disinfectants.

The Public Health Service inspects annually all establishments manufacturing and selling in interstate commerce serums, antitoxines and similar products used in the treatment of disease.

In the summer of 1905 yellow fever became epidemic in New Orleans, and spread with such rapidity that it was soon beyond the control of the local sanitary authorities, who then requested the Federal Government to take charge of its suppression. The Public Health Service immediately sent a corps of officers into the affected territory, who took charge of the work. The confidence shown on the part of the people living in the invaded territory and the lack of the usual dread and fear customary in yellow fever epidemics were commendatory of the efficiency of the work done.

In the summer of 1907 plague broke out in San Francisco. As in the previous epidemic of 1900, the local authorities again sought the aid of the National Public Health Service, who since that time have had charge of the eradication of the disease in San Francisco.

This Bureau has charge of the national maritime quarantine, which prevents the introduction of epidemic diseases. It has also conducted the medical inspection of the millions of immigrants who have come to this country.

#### **Work of the Treasury Department in Connection with Public Buildings from July 1, 1904, to March 1, 1908.**

On July 1, 1904, there were 375 buildings, exclusive of Marine Hospitals and Quarantine Stations, completed and occupied, the cost of which, including the amounts spent for the sites, extensions, additions, and remodeling when required, \$135,871,726.31.

Since that date 120 buildings have been completed at an aggregate cost of \$33,886,245.40, and four have been added by legislation and executive orders. This makes a total of 499 public buildings, exclusive of the 43 Marine Hospitals and Quarantine Stations, completed and occupied.

In addition to the above, 30 buildings have been extended or remodeled, at a total expense of \$3,509,397.20.

The following is a summary of the cost of the public buildings:

499 completed and occupied .....	\$169,757,971.71
Extending or remodeling 30 buildings .....	3,509,397.20
<b>Total .....</b>	<b>173,267,368.91</b>

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Much money has been spent on sea harbors and the mouths of our rivers at the sea, but comparatively little upon the internal waterways which nature has furnished to the country, and which form highways of travel from one border of it to the other. The call from the country for the development of a well-thought-out plan for the improvement of all these waterways is so emphatic that it cannot longer be resisted.—Hon. Wm. H. Taft, at Kansas City, Mo.

## THE CONSERVATION POLICY.

The policy of the conservation is a development of the present administration of President Roosevelt. Its beginnings are to be found in parts of his annual message of 1906, dealing with public land questions. The first step in definite action to make ready a program was the appointment by the President of the Inland Waterways Commission; and in his letter notifying the members of their appointment, the President formulated the fundamental principles of the policy. The findings and recommendations of that Commission, transmitted to Congress by the President on February 26, 1908, with the special message which accompanied it, was the next step forward; and the White House Conference of May 13, 14, and 15, 1908, which was presided over by the President and attended by the Governors of the States and Territories, including Alaska, Porto Rico, and Hawaii, fairly launched the movement before the country at large.

In his address before the National Editorial Association at Jamestown, Va., June 10, 1907, President Roosevelt said:

"The conservation of our natural resources and their proper use constitute the fundamental problem which underlies almost every other problem of our national life. Unless we maintain an adequate material basis for our civilization we can not maintain the institutions in which we take so great and so just pride; and to waste and destroy our natural resources means to undermine this material basis."

In his message to the 60th Congress, which assembled December 2, 1907, President Roosevelt said:

"The conservation of our natural resources and their proper use constitute the fundamental problem which underlies almost every other problem of our national life. We must maintain for our civilization the adequate material basis without which that civilization can not exist. We must show foresight, we must look ahead. As a nation we do not only enjoy a wonderful measure of present prosperity, but if this prosperity is used aright it is an earnest of future success such as no other nation will have. The reward of foresight for this nation is great and easily foretold. But there must be the look ahead, there must be a realization of the fact that to waste, to destroy, our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed."

In his letter inviting the Governors of all the States and Territories to meet with him at the White House, May 13, 14, and 15, 1908, to discuss the question of the Conservation of the Nation's Natural Resources the President said, in part:

"It seems to me time for the country to take account of its natural resources, and to inquire how long they are likely to last. We are prosperous now; we should not forget that it will be just as important to our descendants to be prosperous in their time."

"Recently I declared there is no other question before the nation of equal gravity with the question of the conservation of our natural resources, and I added that it is the plain duty of us who, for the moment, are responsible to take inventory of the natural resources which have been handed down to us, to forecast the needs of the future and so handle the great sources of our prosperity as not to destroy in advance all hope of the prosperity of our descendants."

"It is evident the abundant natural resources on which the welfare of the nation rests are becoming depleted, and, in not a few cases, are already exhausted. This is true of all portions of the United States; it is especially true of the longer settled communities of the East."

"Facts, which I cannot gainsay, force me to believe that the conservation of our natural resources is the most weighty question now before the people of the United States. If this is so the proposed conference, which is the first of its kind, will be among the most important gatherings in our history in its effect upon the welfare of all our people."

The Governors of the States and Territories at the White House assembled, after having discussed the conservation of the country's natural resources for three days, united in the adoption of the following "Declaration of Principles:"

*"We, the Governors of the States and Territories of the United States of America, in conference assembled, do hereby declare the conviction that the great prosperity of our country*

rests upon the abundant resources of the land chosen by our forefathers for their homes, and where they laid the foundation of this great nation.

"We look upon these resources as a heritage to be made use of in establishing and promoting the comfort, prosperity, and happiness of the American people, but not to be wasted, deteriorated, or needlessly destroyed.

"We agree that our country's future is involved in this; that the great natural resources supply the material basis upon which our civilization must continue to depend, and upon which the perpetuity of the nation itself rests.

"We agree, in the light of the facts brought to our knowledge and from information received from sources which we cannot doubt, that this material basis is threatened with exhaustion. Even as each succeeding generation from the birth of the nation has performed its part in promoting the progress and development of the Republic, so do we in this generation recognize it as a high duty to perform our part; and this duty in large degree lies in the adoption of measures for the conservation of the natural wealth of the country.

"We declare our firm conviction that this conservation of our natural resources is a subject of transcendent importance, which should engage unremittingly the attention of the Nation, the States, and the people in earnest cooperation. These natural resources include the land on which we live and which yields our food; the living waters which fertilize the soil, supply power, and form great avenues of commerce; the forests which yield the material for our homes, prevent erosion of the soil, and conserve the navigation and other uses of the streams; and the minerals which form the basis of our industrial life, and supply us with heat, light, and power.

"We agree that the land should be so used that erosion and soil-wash shall cease; and that there should be reclamation of arid and semi-arid regions by means of irrigation, and of swamp and overflowed regions by means of drainage; that the waters should be so conserved and used as to promote navigation, to enable the arid regions to be reclaimed by irrigation, and to develop power in the interests of the people; that the forests which regulate our rivers, support our industries, and promote the fertility and productiveness of the soil should be preserved and perpetuated; that the minerals found so abundant beneath the surface should be so used as to prolong their utility; that the beauty, healthfulness, and habitability of our country should be preserved and increased; that sources of national wealth exist for the benefit of the people, and that monopoly thereof should not be tolerated.

"We commend the wise forethought of the President in sounding the note of warning as to the waste and exhaustion of the natural resources of the country, and signify our high appreciation of his action in calling this conference to consider the same and to seek remedies therefor through cooperation of the Nation and the States.

"We agree that this cooperation should find expression in suitable action by the Congress within the limits of and co-extensive with the national jurisdiction of the subject, and, complementary thereto, by the legislatures of the several States within the limits of and co-extensive with their jurisdiction.

"We declare the conviction that in the use of the national resources our independent States are interdependent and bound together by ties of mutual benefits, responsibilities, and duties.

"We agree in the wisdom of future conferences between the President, Members of Congress, and the Governors of States on the conservation of our natural resources with a view of continued cooperation and action on the lines suggested; and to this end we advise that from time to time, as in his judgment may seem wise, the President call the Governors of States and Members of Congress and others into conference.

"We agree that further action is advisable to ascertain the present condition of our natural resources and to promote the conservation of the same; and to that end we recommend the appointment by each State of a Commission on the Conserva-



tion of Natural Resources, to cooperate with each other and with any similar commission of the Federal Government.

"We urge the continuation and extension of forest policies adopted to secure the husbanding and renewal of our diminishing timber supply, the prevention of soil erosion, the protection of headwaters and the maintenance of the purity and navigability of our streams. We recognize that the private ownership of forest lands entails responsibilities in the interests of all the people, and we favor the enactment of laws looking to the protection and replacement of privately owned forests.

"We recognize in our waters a most valuable asset of the people of the United States, and we recommend the enactment of laws looking to the conservation of water resources for irrigation, water supply, power, and navigation, to the end that navigable and source streams may be brought under complete control and fully utilized for every purpose. We especially urge on the Federal Congress the immediate adoption of a wise, active, and thorough waterway policy, providing for the prompt improvement of our streams and the conservation of their watersheds required for the uses of commerce and the protection of the interests of our people.

"We recommend the enactment of laws looking to the prevention of waste in the mining and extraction of coal, oil, gas, and other minerals with a view to their wise conservation for the use of the people, and to the protection of human life in the mines."

#### The Forest Policy.

The Forest policy of the Government is not a party issue, for it has had the support of both the Republican and the Democratic parties, but it has been developed mainly under Republican leadership. President Roosevelt has done more than any other President to establish and extend it, through his messages to Congress and through executive action in creating National Forests (or "reserves"). These Forests, preserved for the use of the people as unfailing supports of industry and sources of present and future prosperity, will be for all time a national monument to his foresight.

The law authorizing the creation of National Forests was passed by a Republican Congress (the Fifty-first) and action under that law was begun by a Republican President (Harrison). The law authorizing the administration of these Forests along the present lines was passed by another Republican Congress (the Fifty-fifth). The law transferring the control of the Forests from the Department of the Interior to the Department of Agriculture was passed by the Republican Fifty-eighth Congress. The appropriations for the Government's forest work have from 1898 to the present time been increased by successive Republican Congresses. It may justly be claimed that the Republican party, the party of action, has contrived and put into effect this great and now accepted policy, though the Democratic party, the party of opposition, has never disputed its wisdom.

Under these laws, there have been set aside and placed under the administration of the Forest Service over 166,000,000 acres of the public domain. This land is kept in public ownership for the public benefit. The National Forests embrace the more mountainous parts of the West. They maintain the flow of streams, conserving water supply for irrigation and power, as well as maintaining a steady supply of timber for the West. They also permit the best use of the forage crop without injury to other interests. They do not close the land to prospecting and mining development, nor to agriculture where the land is more valuable for agriculture than for forest growth, but they protect the general welfare by preventing the evils which follow forest destruction. They are administered by the Forest Service, which opens them to every use consistent with the permanent good of the West. Mature timber is sold, or is given away to settlers and communities for whom it would be a hardship to buy, under regulations which insure the perpetuation of the forests through new growth. Each National Forest is in charge of a Supervisor, who is a local agent to conduct business with forest

users and to look after the protection of the forest. Under him are forest rangers and guards. These local officers are Western men, in touch with local conditions, but controlled by the Forester, who administers the policy embodied in existing law by the Acts of Congress.

The fundamental principle of this policy is development. Before the administration of these Forests was provided for their resources were closed against the public. Now they are for all the use that can be got out of them—the more the better so long as it is real use, not spendthrift waste. They are for all kinds of use, not for one kind merely; for the benefit of the public, not for the personal benefit of the first man who might be able to get hold of them, regardless of the injury he might do the public.

Development of these Forests is taking place through heavy expenditures by the Government, but these expenditures are wise because they will greatly increase the usefulness of the Forests. In the last two years Congress has appropriated \$1,100,000 for such permanent improvements as roads, bridges, trails, telephone lines, fire-fighting equipment, and rangers' quarters. These are investments of capital for the public benefit. Settlers, stockmen, miners, lumbermen, all who use the Forests, will profit by them. They will also aid in the protection of the Forests. To promote use the Forest must be opened up. All that they have in them must be made accessible.

This development of the Forests is for the sake of the development and permanent welfare of the country, not for the sake of the Government as their owner. The Government is not in the position of a landlord. If private interests owned and developed them it would be for the sake of the return they could be made to yield in money profits. The Government is developing them for the sake of the return they can be made to yield in sustained prosperity. The standing timber is cut as it is needed by the people without decreasing the flow of water—also needed by the people—without causing rivers and harbors to fill up with mud as they are all the time filling up in the East, and without loss of the power of the land to grow more forests for future use. The preservation and fullest development of the water of the United States, for use in irrigation, as a means of transportation, and as a source of power, is vital to our future welfare.

Forest preservation concerns every great Western interest. The interests of the farmer, the stockman, the miner, the lumberman, the merchant, and the transportation company, with that of the labor which they employ, demand and will demand continued supplies of water or wood from the National Forests. It is true that what is sometimes called development could be brought about faster by giving these Forests away. If Congress should open the National Forests to homestead entry without restrictions, some of the States with large National Forests in them would develop very rapidly—for a time. The National Forests are now open to homestead entry wherever the land is chiefly valuable for agriculture. Some of the "homesteads" applied for have from \$10,000 to \$15,000 worth of timber on them. If all timberland were open to entry, every man who will stop to think twice knows what would be the result. There would be a big boom while the timber lasted, followed by a collapse. It would be good for the people who would pocket the proceeds and move away, but bad for the country. It would be good for the lumber business while the forests were being cut, but the death of the lumber business when they were gone. It would for a few years make plenty of work, put money in circulation, and stimulate trade, but it would in the long run mean the decline and ruin of many communities and the impoverishment of the State.

But it may be asked: If the Forest policy is to develop the Forests for the benefit of the people, not for the benefit of the Government as landlord, why does it lay a tax on those who use them? The Government no more lays a tax on users of the Forests when it charges them for value received than it lays a tax on other citizens when it receives money for postage stamps sold or for land taken up. In the last ten years it has spent to develop and protect the Forests for the benefit of the people, w

own them, and to carry on the business incidental to their use, about \$7,000,000. It has received from them in these ten years about \$4,600,000. The receipts from the Forests are now increasing rapidly, but so are the expenditures necessary to develop their usefulness. The cost of keeping them from burning up, of seeing to it that they are so used that the rights of everybody are protected, of seeing that the Forests are made to yield right along, year after year, as much wood, as much water, and as much forage as possible for the support of the Western people and their industries, added to the cost of permanent improvements, is bound to be heavy. Therefore the consumers of the wood and forage which the forests grow, and those who sell for their own profits the power which streams within the Forests supply, are called on to make a reasonable contribution toward the maintenance and development of these sources of their individual gain. No other arrangement would be either fair or possible. Congress could not justly take from the National treasury the great sums which must be spent yearly upon these Forests while making a free gift to a comparatively few individuals of wood, forage, and land for power development, that they may enrich themselves at public expense. The States in which the National Forests lie are still debtors to the Nation for expenditures on their behalf, and will probably remain so for a good while to come.

Though the Government has steadily increased the expenditures for carrying out its forest policy, the net cost to the people for this work was less in the fiscal year 1907 than in any previous year since 1899, the very first year in which anything at all was spent on the reserves. Yet in 1899 there were only 46,000,000 acres of National Forests, while in 1907 there were 150,000,000 acres. The following statement shows what all the forest work of the Government has cost each fiscal year, beginning with 1899, what the forests have yielded to the Government, and what the total area of the National Forests has been at the end of each year:

*Statement of expenditures on account of Forestry and receipts from National Forests.*

[Expenditures for 1908 based on allotments; receipts estimated.]

Fiscal year.	Appropriations (includes amounts expended from receipts fund 1900-1908).		Receipts from sale of timber, grazing, etc.	Total area of National Forests.
	Division of Forestry, Bureau of Forestry (Forest Service), Department of Agriculture.	General Land Office, Department of the Interior.		
1899.....	\$28,520.00	\$175,000.00	\$7,534.83	46,021,889
1900.....	48,520.00	210,000.00	36,751.02	46,772,139
1901.....	88,520.00	325,000.00	29,250.88	46,410,209
1902.....	185,440.00	300,000.00	25,431.87	60,175,765
1903.....	291,860.00	304,135.00	45,838.08	62,351,965
1904.....	350,000.00	375,000.00	58,436.19	62,763,491
1905.....	a632,232.36	a217,907.64	73,276.15	85,627,472
1906.....	1,190,419.78	-----	767,219.96	106,990,423
1907.....	1,790,678.79	-----	1,571,059.44	150,831,665

a Administration of National Forests transferred to Forest Service, February 1, 1905.

The Forest policy of the Government is not confined to the care and development of the forests which the National Government owns and holds as trustee for the people. It includes also the effort to bring about the best use of all timber lands and all forest products in the United States, in the interest of the general welfare, which is so clearly dependent on continuing supplies of wood and water. The Forest Service studies to find out *both how to make the best use of what we now have on hand and how to get more as cheaply, abundantly, and rapidly as possible.*



If the cost of these studies and of the educational work carried on by the Service were deducted from the total expenditures for the fiscal year 1907, the remainder would be less than the income to the Government from the National Forests. In other words, these Forests in that year carried themselves. Because of their growing economic importance, Congress authorized the policy of making expenditures to develop their importance still further, so that now the Government is again spending more money on the National Forests than it is receiving from them. In so doing it is simply investing the money for the present and future benefit of the people, and protecting a great public property from burning up.

In holding and developing these great resources, conserving timber and water, regulating grazing, and controlling those who use the Forests for the development of power, the Government is fundamentally helping the home builder. At every point it is working to increase the number of those who own their own homes, the typical American as contrasted with the typical European, who is a tenant paying tribute to a landlord. The National Forest policy makes oppressive monopoly of the best resources of the West impossible. To the extent that the ordinary citizen has to turn to one man or one set of men for anything which he can not do without and which he can not get elsewhere—whether it is land, or water, or coal, or means of transportation, or opportunity to labor, or permission to engage in business—just to that extent he is in the grip of a monopoly. Just to the extent that this monopoly seeks to take advantage of his necessity is the monopoly oppressive. The only trustworthy guaranty that the ordinary citizen can have that a monopoly will not be used to oppress him is Government control of it. For the Government of this country is itself controlled by the citizens of the country.

Government control of the resources of the Forests prevents the control of those resources by private monopolies. These are things which some one must own. Is it better for the ordinary citizen that this some one should be the nation, or private individuals, or corporations? Is it better for him to buy timber from an agent of the Government, who holds his place as a servant of the public, or from the local representative of a timber monopoly which cares nothing whatever about the public? Is it better that use of the range in National Forests should be allotted on the basis of past use and residence, or on the basis of the highest price? Is it better that the development of hydraulic power—a matter capable of complete monopoly in the West—should fall absolutely into the hands of corporations free to collect from the public whatever they choose to ask, with no return to the public for the use of its own resources, or that the Government should control the monopolists in the interest of equitable exercise of their power over the industrial life of the communities dependent on them?

Yet with all this, if the effect of Government control were to prevent the everyday citizen from making a home for himself, there would be good ground for criticism. But just the reverse is true. The number of permanent homes which can be maintained in the West is, through control of the Forests by the Government, greatly increased. For the permanent means of livelihood are increased.

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American wage-workers work with their heads as well as their hands. Moreover, they take a keen pride in what they are doing; so that, independent of the reward, they wish to turn out a perfect job. This is the great secret of our success in competition with the labor of foreign countries.—President Roosevelt, in message to Congress, Dec. 3, 1901.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned. It is important, however, that appeals to judicial remedies should be limited in such a way that parties will not use them merely to delay and so clog efficient and just executive or legislative action.—Hon. Wm. H. Taft, at Columbus, Ohio.

## THE CIVIL SERVICE.

The chief criticisms of the Civil Service of the United States indulged in by the opponents of the Republican party are based either upon a total misapprehension or a willful misstatement of facts.

The Civil Service law was enacted in 1893 for the purpose of stopping the flagrant abuses which had developed under the old patronage system of appointments. Under that system the government service in the Departments at Washington had become inefficient and extravagant. Public office was considered a perquisite of the party in power, not a public trust.

It was to remedy such evils that the Civil Service law was enacted, and during the twenty-five years of its enforcement there has been developed a high order of industry, integrity, and efficiency in the public service. This development has, of course, not been free from difficulties. Mistakes have been made, but year by year the merit system has been improved and extended until now the competitive classified service covers about 197,000 Federal officials and is recognized as necessary for good administration.

The conclusive answers to the criticisms are the following plain statements of existing conditions and the course of the Republican party during the twelve years in which it has had control of the administration:

*First.*—Entrance to the Federal classified service is not dependent upon personal or political influence; hence the service is now composed of self-respecting, independent men and women who appreciate that advancement will depend upon individual industry and ability. They do not constitute a body of permanent officeholders who are protected from removal even though inefficient and incapacitated, as charged. The power of removal is absolute in the head of every Department. The only limitations upon causes of removal are that employees must be treated with justice, that like penalties must be imposed for like offenses, and that no person shall be removed from a competitive position except for such cause as will promote the efficiency of the service. The only limitation involved in the procedure prescribed by the Civil Service rules for removal is that the cause of removal shall be stated in writing and filed, and when misconduct is committed in the view and presence of the President or head of an Executive Department removal may be made summarily and not even a statement of reasons is required to be filed. No notice is required to the employee; no trial and no opportunity for a hearing need be given him under the rules. The only limitation is, as stated, that the cause of removal must be one which will promote the efficiency of the service; that is, must be, for instance, for misconduct or negligence or laziness, or some such cause; and that one employee shall not be punished in a different manner from what another is punished.

The Civil Service Commission strictly enforces the prohibition against making removals for political reasons; but its authority is limited to the enforcement of that prohibition.

The merit system does not result in an undue permanency of tenure. 48.2 per cent. of the employees in the classified service of the country have served less than five years, and 72.5 per cent. have served less than ten years. In the District of Columbia naturally the service is more stable, and in the departments at Washington 30.8 per cent. have served less than five years and 56.1 per cent less than ten years. The appointments made as a result of the examinations in the entire service are at the rate of 3,600 per month; about 22 per cent. of the entire service and about 15 per cent. of the departmental service in Washington



changes each year. The inefficient employee gives way to the efficient, or the efficient employee finds private work more profitable or more congenial.

The charge that the service is filled with superannuated clerks is unfounded. 60.7 per cent. of the employees are less than forty years old, and 91 per cent. less than sixty years old. In Washington less than 53.1 per cent. are less than forty, and 87 per cent. less than sixty years old.

*Second.*—It is not claimed that a competitive examination is an absolutely correct means of determining the qualifications of applicants, but it is the best means yet devised. The Civil Service Commission is constantly changing the character of the examinations to meet the special requirements of particular places. The experience of twenty-five years has shown definitely that the average examination can be passed by any intelligent person who has had a common school education, and does afford a remarkably accurate basis for the determination of the relative ability of applicants.

As a result of the examination for scientific and technical positions, there have been built up various corps of thoroughly trained men who have placed the scientific work of this Government in the forefront among the nations of the world. This has been particularly true, and the results obtained have been of great practical value, in the Departments of the Interior, Agriculture, and Commerce and Labor.

*Third.*—It is a mistake to suppose that the Civil Service Commission exists simply for the purpose of enforcing the law and rules. Its purpose is to provide the most efficient eligibles possible for every branch of the service. It looks to the good of the service, not to the mere enforcement of a rule. It is the barrier against the spoils system, but it does not protect the inefficient or dishonest employee.

The ideal Civil Service law should close the door to entrance into the public service except through a method which can be followed by any qualified person without political influence or favor, but leaves to the executive authorities the power to remove for any cause, other than political or religious. It is toward this ideal that the present Administration is working.

The business of the Government has grown in proportions not appreciated by the people at large. The executive departments are made responsible for the expenditure of about \$600,000,000 annually. Such expenditures can be wisely and honestly made only by exercising the highest degree of business ability and selecting efficient, capable employees who will make good service to the Government their ambition. The Republican party has proved that under its administration the business of government is so conducted. President Roosevelt, the party's present representative, has appointed men of recognized ability and judgment to carry on executive work. He has made no promises impossible of fulfillment. By precept and example he has inspired public officers to a higher sense of duty. In this administration neither personal nor political influence has availed to save the corrupt official from punishment. American citizens should remember and take to heart these words of the President:

"The most successful governments are those in which the average public servant possesses that variant of loyalty which we call patriotism, together with common sense and honesty. We can as little afford to tolerate a dishonest man in the public service as a coward in the army. The murderer takes a single life; the corruptionist in public life, whether he be bribe giver or bribe taker, strikes at the heart of the commonwealth. In every public service, as in every army, there will be wrongdoers, there will occur misdeeds. This can not be avoided; but vigilant watch must be kept, and as soon as discovered the wrongdoing must be stopped and the wrongdoers punished."

Mr. Taft has, during his entire political career, been a steady and efficient supporter of the improvement of the Civil Service. He introduced the merit system into the government of the Philippines; he has had charge of one of the great Departments of the Government under the administration of President Roosevelt, and whatever commendation is due to President Roosevelt in his course in the handling and the improvement of administration is shared by the present candidate of the party, who has loyally and consistently supported the reforms which President Roosevelt has introduced.



## British Manufacturers Advocate Tariff Reform.

London, April 27, 1908.

The progress of tariff reform in England is well illustrated by the action of the Associated Chambers of Commerce at their recent meeting in London. This is the most important commercial body in Britain, and it represents the business life of the country. The question before it for decision was "That this Association, while approving of the principle of free exchange, recognizes the grave danger to which our industrial population is exposed by the action of scientifically imposed foreign tariffs, and is of opinion that steps should be taken to mitigate the evil by the reform of our tariff."

In a vote this resolution was adopted by 40 to 30, there being 31 neutral. As showing the advance of the movement a similar motion was rejected by 69 to 27 when made three years ago.

We are not a nation of classes, but of sturdy, free, independent and honorable people, despising the demagogue and never capitulating to dishonor.—McKinley's letter of acceptance, 1896.

The present phenomenal prosperity has been won under a tariff made in accordance with certain fixed principles, the most important of which is an avowed determination to protect the interests of the American producer, business man, wage-worker, and farmer alike.—President Roosevelt.

We have had great problems before and have solved them rightly—that is the American way of solving problems. We must approach these new ones in the same spirit with which we approached and successfully solved those which have gone into history.—Hon. George B. Cortelyou, at Urbana, Illinois, June 7, 1905.

They tell us that a protective tariff was only designed for infant industries, that we have outgrown that infancy and are no longer in need of the duties that enabled us to get them started. We have grown, it is true. Our great industrial concerns are monsters now, but let me tell you, as the boy said who waited till he had grown up before tackling a youthful opponent, the other fellow has grown up too.—Hon. James S. Sherman.

In the great battle of 1896 the Republican party again stood for the maintenance of the integrity of the nation. The fight was against odds produced by a great industrial depression, and against the most sophistical arguments. The Republican party maintained a campaign of education among the wage-earners and the farmers, which ultimately led to the complete defeat of this second financial heresy which has threatened the integrity of our business structure.—Hon. Wm. H. Taft, at Kansas City, Mo.

Under the system of protection every hour of honest toil purchases more of material comfort for the toiler than is attainable under any other system, the degree of such advantage being contingent upon the completeness and accuracy of the application of the protective system. This advantage comes directly or indirectly to all classes of toilers, be they weavers, spinners, carpenters, painters, machinists, farmers, doctors, editors, or teachers.—Hon. H. B. Metcalf, Paytucket, R. I., in the American Economist.

Mr. Bryan's whole system of remedies for the evils that both Mr. Roosevelt and he and many others recognize, is based on his distrust of the honesty, courage and impartiality of the individual as an agent on behalf of the people to carry on any part of government and rests on the proposition that our present system of representative government is a failure. He would have government ownership of railways because he does not believe it is possible to secure an interstate commerce commission that the "money power" cannot and will not ultimately own. He would have the initiative and referendum because he distrusts representative government and has no confidence in the ability of the people to find men who will conscientiously, and free from the influence of the "money power," represent them in preparing and voting legislation. He would take away from courts, because he distrusts the ability of judges to resist the malign influence of the "money power," the power to enforce their own orders until a jury is called to tell the court whether the order has been disobeyed, and thus, in practice, though not in theory, the jury would come to pass on the correctness and justice of the court's order.—Hon. Wm. H. Taft, at Columbus, Ohio.

## THE NON-CONTIGUOUS TERRITORY OF THE UNITED STATES.

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The last decade has developed a new quality in the American, the power to successfully govern noncontiguous territory occupied by people of nationalities, customs, and civilization differing widely from our own, and living under climatic and other conditions also widely different from those to which we have been accustomed. This new work has required the American soldier, sailor, and citizen to study the characteristics of and devise means of government for the millions in the Philippine Islands, and with them large numbers of Chinese and not a few other Orientals; the thousands of Chinese and Japanese of the Hawaiian Islands, the mixed Spanish and native population of Porto Rico, Cuba, and Panama; and, passing from the tropics to the Arctic, the Eskimo and Indian of Alaska. In all of these cases the advent of American influence has brought civilization, education, improvement of public health, better transportation facilities, diversification of industries, increased commerce, increased earnings, and with all of these a growing share in domestic government, and produced prosperity, peace and contentment. The establishment of peace has been in every case the first purpose, and following this the introduction of educational facilities, the development of transportation, and with this the development of commerce. Schoolhouses, roads, railroads, canals have followed the American flag, and the American soldier, sailor, or civil administrator in all of these various and widely separated sections of the world, and these in turn have been followed by closer relations between the United States and the 12 million people occupying these scattered sections, now known as the noncontiguous territories of the United States, omitting from this category, of course, Cuba, which is but temporarily under American control, and will within a few months be again established as an independent American Republic. In chapters which follow the conditions now prevailing in these various sections of the world, and commonly designated as the noncontiguous territories of the United States are set forth in detail. It is not improper to say, before entering upon a discussion of these conditions, that the trade of the United States with this noncontiguous area—the Philippines, Hawaii, Alaska, Porto Rico, and the Panama Canal strip—has grown from 35 million dollars in 1897 to 160 millions in 1907. The imports from these various territories have grown from 24 millions in 1897 to 77 millions in 1907, and the exports to them from 11 millions in 1897 to 83 millions in 1907. In this important work no citizen or official of the United States has performed a greater or more varied and difficult work than has Mr. Taft, in his services in the Philippines, in Cuba, and in Panama.

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### THE PHILIPPINE ISLANDS.

The assumption of sovereignty over the Philippine Islands on the part of the United States was not a matter of voluntary action, but was developed suddenly and unexpected as the result of a victorious war. The burden of its unavoidable obligations had to be promptly met. A government had to be built from the ground up—a government involving all the phases of law and conditions of a people numerically greater than the size of the United States at the time the Federal Constitution was adopted, yet on account of the conditions under which they had so long lived they were for the time being at least incapable of self-government. They were scattered over a territory whose extent north and south, measured by the time required to travel, was equal to the great coast line of the United States between Eastport, Maine, and the Florida Straits.

or, more plainly stated, whose territorial length from Bashi Channel to Sibuto Island is not less than the length of a ship-pathway between Canada and the Gulf of Mexico—a people with no language of their own, divided into about twenty separate and distinct classes or clans, each with a dialect or Spanish patois not always understood beyond the immediate locality in which it was spoken—a people such as no other nation on earth before had ever been called upon to tranquillize, control and govern, and, in a measure, to civilize as well as to train and educate in the duties of modern citizenship. Such a people as they, in a tropical country thousands of miles from our own shores, on the opposite side of the globe, in fact, fell suddenly under the care and protection of the United States, a country without experience in governing or developing a tropical or oriental people.

#### **The First Steps in Government of the Island.**

Necessarily, of course, the first steps taken with respect to the establishment of American dominion over the Philippine Islands were war measures. Spain had suddenly lost both prestige and dominion over the Philippines, and the American Army as an unavoidable act of war naturally had to exercise its functions in martial government. But from the very start care was exercised to do away as much and as speedily as possible with the austerity and rigor of martial law and almost from the beginning the military government was dualized by delegating certain powers to a Civil Commission, which at first shared authority with the military government and finally supplanted it.

Civil government in the Philippine Islands, however, as distinguished from military administration, dated from the appointment in March, 1900, by President McKinley, of what is now generally known as the "Taft Philippines Commission." In creating this commission and authorizing it to assume and discharge the functions of government, the President still exercised the war power of the nation, for the commission thus created was an instrumentality for the exercise of authority by the President, as Commander-in-Chief of the Army and Navy of the United States, to administer the affairs of civil government in territories subject to military occupation. The Commission thus established, however anomalous it may have seemed, was a civic agency for the exercise of the powers of military government, and, being without precedent, it may be regarded now as one of those beneficent, wise, and valued achievements in our national history which seems to have been inspired by a power beyond the ordinary human comprehension.

It is now more than seven years since President McKinley committed the government of the Philippine Islands to the control of the Philippine Commission with William H. Taft at its head, subject to the supervision of the Secretary of War; and meanwhile, during all those years of gradual betterment of the conditions prevailing on these Islands, there have been no discoveries of any radical error in the original form of government or anything to lessen the faith of the Filipino or American people in the promises of the United States Government. On the contrary there were so few points to be changed when the matter of the Philippine Government came before Congress for revision and enactment in detail that Congress, after full deliberation and careful consideration, continued the whole question of the Philippine Government and its administration in the hands of the Chief Executive of the United States, whose original instructions and decrees as well as other amendatory and incidental acts found necessary subsequently were not only approved in the main but continued in force with all the authority which combined governmental action could give them.

#### **Purpose of the Taft Commission.**

The general purpose of the Taft Commission as announced by President McKinley was "to continue and perfect the work of organizing and establishing civil government already commenced by the military authorities" in the Philippines, subject in all respects to any laws which Congress might thereafter



enact. And as a fundamental step in giving civil government to the people of the Philippines, it was determined that there should be a separation of the executive, the legislative, and the judicial branches, and that the powers of these several branches should be exercised by different persons. Accordingly, the legislative powers were conferred upon the Commission, the judicial powers were to be exercised by the courts, which themselves were to be established through legislative action of the Commission, and the authority to exercise the executive powers was continued in the commander of the military forces of the United States, where in the beginning it had been placed in maintaining the occupancy of the Islands.

The year following this arrangement of governmental power, in June, 1901, the President of the United States appointed Hon. William H. Taft Civil Governor of the Philippine Islands, and transferred from the Military Governor to him as President of the Philippine Commission the authority to exercise the powers of the executive branch of the government in all the pacified provinces of the Islands, but continuing the authority of the Military Governor to exercise authority in those districts in which the insurrection continued to exist.

On the 1st of September, 1901, a further step toward civil executive organization was made by the establishment of separate executive departments to which members of the Commission were assigned.

The administrative affairs of the government through these newly instituted executive departments were apportioned among several newly organized Bureaus or officers in each Department, embracing all administrative duties pertaining to the various affairs of the Islands, such for example as Health, Quarantine and Marine Hospital Service, Forestry, Mining, Agriculture, Fisheries, Weather, Ethnology, Public Lands, Patents and Copyrights, Post Offices, Telegraphs, Coast and Geodetic Surveys, Public Works and Public Buildings, Insular Constabulary, Prisons, Corporations, Immigration, Internal Revenue, Banks and Banking, Coinage and Currency, Justice, Public Instruction, Public Charities, Public Libraries, Museums, Public Records, Official Statistics, Public Printing, Architecture, etc., including in fact every detail of administrative government known in a civilized and self-governing community.

It was in the same year that the President appointed three distinguished Filipinos as additional members of the Commission; and on October 29, 1901, in order to relieve somewhat the great pressure of official duties devolving upon Civil Governor Taft, the President created the office of Vice-Governor and appointed Hon. Luke E. Wright to that position. Mr. Wright subsequently became President of the Commission in 1903, succeeding Mr. Taft, who had resigned to accept the position of Secretary of War.

#### **Self-Government in Municipalities.**

Pursuant to the instructions of the President of the United States, the Commission by proper legislation made provisions for municipal government to be established throughout the Islands as quickly as conditions permitted. They also passed a general act for the organization of provincial governments in the Philippine Islands. A judicial system was created under which the several newly established courts assumed the exercise of judicial powers, and the insular constabulary and municipal police were created and installed. A system of civil service was provided for and put into operation by due enactments, together with a system of account and audit, which were adopted and rigorously enforced. A system of education, too, was installed and forestry laws providing for the preservation and utilization of the public forests were adopted and enforced. In addition to all these careful provisions of good government, a wise and extensive system of public improvements and repairs was adopted, and adequate means of securing revenue by the levy of duties and taxes were duly devised and put in force.

So careful, thorough and complete were the various features of government formulated by the Philippine Commissioners, with due regard to the principles of Liberty, Equality and

Justice prevailing in the United States, that Congress in 1902, after careful investigation of all that had been done for the government of the Philippine Islands, placed the seal of official legislative approval upon the governmental organization in those Islands, ratifying, approving and confirming each and every one of the acts theretofore done and performed in connection therewith, and besides conferred upon the said Philippine Government additional authority and discretionary rights which not even the President of the United States had previously had authority to bestow.

Pursuant to this legislation of the Fifty-seventh Congress, there was soon afterwards established in the Philippines and extended throughout the civilized portions of those Islands, a civil government which in certain respects is more extensive in its local and independent character than that which exists in any of the States or Territories of this Union. Indeed, not being limited by the Constitution in its legislation on this subject, as in matters relating to the United States, Congress was able to delegate to local government of the Philippines certain valuable powers which cannot under our Federal Constitution be given to the States of the Union. It might therefore be asserted that no integral or segregated portion of the territory of the United States subject to Federal sovereignty is to-day exercising by itself and for itself so many of the powers of governmental sovereignty as are exercised in the Philippine Archipelago.

#### Temporarily Withheld Privileges.

While all this is so, however, there are two rights or privileges guaranteed to the citizens of the United States by the Federal Constitution which are not yet granted to the Filipinos, namely, the right to bear arms and to trial by jury. On this point Secretary Taft, in a report to the President, said:

"The right to bear arms is one that cannot safely yet be extended to the people of the Philippines, because there are among those people men given to violence, who with the use of arms would at once resort to larceny as a means of livelihood. The temptation would be too great and ought not to be encouraged. Nor are the people fit for the introduction of a jury system; not yet has any considerable part of the community become sufficiently imbued with the sense of responsibility for the government and with its identification with the government. This responsibility and identification are necessary before jurors can sit impartially between society and the prisoner at the bar. Without it they are certain always to release the prisoner and to sympathize with him in the prosecution against him. The fair treatment of the prisoner is sufficiently secured in a country never having had a jury trial by the absolute right of appeal from the decision of a single judge to the decision of seven judges, with a writ of error thence to the Supreme Court of the United States. It may be that in the future it will seem wise gradually to provide for a jury in various classes of cases, but at present it would be premature.

"The civil rights conferred by Mr. McKinley's instructions were expressly confirmed by the organic act of July 1, 1902. It has been the purpose of the Philippine government to make the extension of these rights a real thing and a benefit for the poorer Filipino, and progress is being made in this direction. The great obstacle to it arises from the ignorance of the people themselves as to what their rights are and their lack of knowledge as to how these rights may be asserted.

"The work of impressing a knowledge of these things upon the people goes, however, rapidly on, and with the education in English of a new generation and their succession to the electorate, we can be certain that the spread of education as to popular rights and the means of maintaining them will be wider and wider, until we can have a whole community who know their rights, and knowing, dare maintain them.

"Charges have been made that the existing Philippine government has not properly preserved these guarantees of civil rights. It is true that the Commission has, in effect suspended these guarantees in a condition equivalent to one of war in some of the provinces, and has been sustained in so doing by the Supreme Court of the Islands and of the United States. It is also true that during a condition equivalent to war, the Commission provided that no one should advocate independence, even by peaceable means, because agents of insurrection were inciting actual violence under the guise of such peaceable propaganda. With the coming of peace, the statute ceased to have effect. To-day, however, the writ of habeas corpus runs without obstruction. The liberty of the press and of free speech is real. There is no censorship of the press and no more limitation upon its editors than there is in the City of Washington. The publication of criminal libel or seditious language calculated and intended to cause public riot and disturbance is punishable in Manila and the Philippines as it is in many of the States of the Union. This freedom of discussion and this opportunity to criticize the government, educate the people in a political way and enable them more intelligently to exercise their political rights."



**General Policy of the United States Towards the Philippines.**

In his recent special report to the President on Philippine affairs after his visit to the Philippine Islands, in October last, Secretary Taft said as follows:

"The policy of the United States toward the Philippines is, of course, ultimately for Congress to determine, and it is difficult to see how one Congress could bind another Congress, should the second conclude to change the policy declared by the first. But we may properly assume that after one Congress has announced a policy upon the faith of which a whole people has for some years acted and counted, good conscience would restrain subsequent Congresses from lightly changing it. For four years Congress in silence permitted Mr. McKinley and yourself, as Commanders-in-Chief of the Army, to adopt and carry out a policy in the Philippines, and then expressly ratified everything which you had done, and confirmed and made part of the statute certain instructions which Mr. McKinley issued for the guidance of the Philippine Commission in making civil government in the Islands. Not only this, but Congress closely followed, in the so-called organic act, your recommendations as to provisions for a future change in the Philippine Government. The national policy may, therefore, be found in the course pursued and declarations made by the Chief Executives in Congressional messages and other state papers which have met the approval of Congress.

"Shortly stated, the national policy is to govern the Philippine Islands for the benefit and welfare and uplifting of the people of the Islands and gradually to extend to them, as they shall show themselves fit to exercise it, a greater and greater measure of popular self-government. One of the corollaries to this proposition is that the United States in its government of the Islands will use every effort to increase the capacity of the Filipinos to exercise political power, both by general education of the densely ignorant masses and by actual practice, in partial self-government, of those whose political capacity is such that practice can benefit it without great injury to the efficiency of government. What should be emphasized in the statement of our national policy is that we wish to prepare the Filipinos for popular self-government. This is plain from Mr. McKinley's letter of instructions and all of his utterances. It was not at all within his purpose or that of the Congress which made his letter part of the law of the land that we were merely to await the organization of a Philippine oligarchy or aristocracy competent to administer government and then turn the Islands over to it. On the contrary, it is plain, from all of Mr. McKinley's utterances and your own, in interpretation of our national purpose, that we are the trustees and guardians of the whole Filipino people, and peculiarly of the ignorant masses, and that our trust is not discharged until those masses are given education sufficient to know their civil rights and maintain them against a more powerful class and safely to exercise the political franchise. This is important, in view of the claim, to which I shall hereafter refer, made by certain Filipino advocates of immediate independence under the auspices of the Boston anti-imperialists, that a satisfactory independent Philippine government could be established under a governing class of 10 per cent and a serving and obedient class of 90 per cent.

"Another logical deduction from the main proposition is that when the Filipino people as a whole show themselves reasonably fit to conduct a popular self-government maintaining law and order and offering equal protection of the laws and civil rights to rich and poor, and desire complete independence of the United States, they shall be given it. The standard set, of course, is not that of perfection or such a governmental capacity as that of an Anglo-Saxon people, but it certainly ought to be one of such popular political capacity that complete independence in its exercise will result in progress rather than retrogression to chaos or tyranny. It should be noted, too, that the tribunal to decide whether the proper political capacity exists to justify independence is Congress and not the Philippine electorate. Aspiration for independence may well be one of the elements in the makeup of a people to show their capacity for it, but there are other qualifications quite as indispensable. The judgment of a people as to their own political capacity is an unerring guide.

"The national Philippine policy contemplates a gradual extension of popular control, i. e., by steps. This was the plan indicated in Mr. McKinley's instructions. This was the method indicated in your recommendation that a popular assembly be made part of the legislature. This was evidently the view of Congress in adopting your recommendation, for the title of the act is 'For the temporary government of the Philippine Islands' and is significant of a purpose or policy that the government then being established was not in permanent form, but that changes in it from time to time would be necessary."

**General Review.**

No better review of the governmental policy adhered to in the Philippines and the splendid results achieved under it could be found than this recent interesting special report of Hon. William H. Tart, Secretary of War, made to President Roosevelt after the former's return from his last visit to Manila, where in October last he personally as the representative of the President of the United States opened the General Assembly of the Philippine Islands. To attempt either to dissect or to condense or in any way to minimize that report would be unjust both to its author and to the important subjects with which it deals.



self full and complete in its satisfying explanations, that report need in this connection only be referred to in a general way, inasmuch as it is available to all persons who may be interested in the Philippine question. Copies can be obtained by application to the War Department.

In this immediate connection, however, reference must be made undoubtedly to at least one feature of that report which concerns the crowning act of the United States Government's generous and wise policy of help to the Filipino people.

It will be remembered that in the very beginning when the military government was established, care was taken to dualize that government by injecting into it the anomalous feature of civic authority, which in time was made to grow as the Filipino people seemed less to demand the rigors of military control. As the people became obedient to the laws of the land and showed an inclination to avail themselves of the splendid opportunities of peaceful help offered by the United States Government, the powers of the military were lessened and those of the civic government were enlarged. Finally, as we have seen before in the course of this cursory account of Philippine affairs, in the quickest possible time provision was made for municipal and provincial government by the Filipinos themselves, and meanwhile some of the more eminent Filipinos were placed upon the judiciary and others made a part of the Philippine Legislature. In other words, their own selected representatives were placed in control of the government of their towns and provinces, their own people were selected to enforce the police authority of the Islands, their own comrades were placed upon the court benches, and their best-known and most distinguished representatives were made members of the highest legislative tribunal, and latterly a Congressional delegation has been provided for at Washington—all this in fulfillment of the pledge given in the beginning by President McKinley and steadfastly and faithfully adhered to by President Roosevelt, his Secretary of War, and their duly authorized agents in control.

But there is one thing more even than all this which the Government of the United States could do and which it had promised in the beginning that it would do, namely, the establishment of the General Assembly of representative Filipinos to be selected by the Filipino people themselves whenever, in the language of the enacting law, "the existing insurrections in the Philippine Islands shall have ceased and a condition of general and complete peace shall have been established therein and the fact shall have been certified to the President by the Philippine Commission."

To execute this crowning act of good faith it was provided that when the above-named condition of "general and complete peace" was attained the President upon being satisfied thereof should order a census of the Philippine Islands to be taken by the Philippine Commission, and that two years after the completion and publication of the census, in case such condition of general and complete peace with recognition of the authority of the United States had meanwhile continued in the said Islands not inhabited by Moros and other non-Christian tribes, the President upon being satisfied thereof was required to direct the Philippine Commission to call a general election for the choice of delegates to the popular Assembly of the people of said territory in the Philippine Islands, which should be known as the Philippine Assembly. It was further provided that after said Assembly was convened and organized all the legislative powers previously conferred on the Philippine Commission in all that part of said Islands not inhabited by Moros or other non-Christian tribes should be vested in a Legislature consisting of two Houses, the Philippine Commission and the Philippine Assembly. Said Assembly it was enacted should consist of not less than fifty nor more than one hundred members, to be apportioned by the said Philippine Commission among the provinces as nearly as practicable according to the population, insuring to each province at least one member.

On September 11, 1902, the Philippine Commission certified to the President that the insurrection in the Philippine Islands had ceased and a condition of general and complete peace had

been established there; and a fortnight thereafter the President ordered that the census of the Philippine Islands be taken. Accordingly the census was taken at a cost of nearly seven millions of dollars, and it was the first census which had ever been taken of the Philippine Islands since the American occupation.

The rest of this story of fulfillment of good faith on the part of the United States relates to facts too recent to require much review in this connection. As is well known, the necessary action was taken by the President of the Philippine government to insure an election of members of the Philippine Assembly. And on the day set for the meeting of the Assembly, Secretary Taft, to whom more than to any other man connected with Philippine affairs was due the steady growth and development of the Filipino people, traveled from Washington to Manila to be present at and himself open the first session of the first General Assembly of the Philippine government.

The establishment of this legislative Assembly for the Filipino people was practically the climax of all that had been done looking to their enfranchisement, by allowing them to exercise for the first time in their lives the right to vote for their municipal, provincial, and legislative representatives in governmental affairs. This legislative Assembly was indeed the very epitome of generous concessions to the Filipino people; and as will be seen by an examination of Secretary Taft's special report above referred to, the criticism called forth by this generous treatment of the Filipino people had spurred him on to a defense of the system and the denial that the United States had gone too fast in the fulfillment of its promises to grant self-government to the Filipino people. The Secretary's observations on this point are as follows:

"In recommending to Congress the provision for a national assembly contained in the organic act of the Philippine government, Secretary Root and the Commission were moved by the hope and belief that the promise of the act, conditioned, as its fulfillment was, on the existence of peace in the Islands, would stimulate activity on the part of all Filipinos having political ambition to bring about tranquility. In this respect, as already pointed out, the result has abundantly vindicated their judgment. They were further moved by the conviction that this step toward greater popular self-government would strengthen the hands of the Government by securing from the people readier acquiescence in and greater obedience to measures which their representatives had joined in passing than when they were the decrees of an alien government. They further believed that by means of the assembly much more exact and practical knowledge of the country would be brought to the law-making power than in any other way. Finally, they thought that the inauguration of such an assembly would be a most important step in the main plan or policy of educating Filipinos in the science and practice of popular representative government. They were aware of the possible danger that this was a step too far in advance. They did not deny that on the part of a number elected there would be a strong inclination to obstruct the smooth working of existing government on lines of political and material progress. They anticipated the probability that in the first assembly elected the majority would be in favor of immediate independence; but in spite of all this they were clear in their forecast that the responsibilities of power would have both a sobering and educational effect that would lead ultimately to conservatism of action and to strengthening the existing government."

In the beginning no man was kept busier than Mr. Taft in discussing and explaining the various necessary actions taken by the United States for the gradual improvement of the Filipino people; and now when the policy which he advocated and, under the instructions of the President, executed, has developed into a magnificent success, fulfilling all the pledges that had been in the beginning made concerning it, new criticisms arise—new complaints that the government has gone too far—that the United States had done too much for the people of the Islands; and again Mr. Taft, from his intimate knowledge of and practical participation in Philippine affairs, is required to make explanations to show that the government has really not gone too fast or already yielded too much in the fulfillment of its promises.

#### Improved Conditions in the Philippines.

Much more might be said on this subject, but in view of the well-known facts regarding the improved moral, business, and sanitary conditions now prevailing in the Philippine Islands another brief extract might here be quoted from the above referred to recent report of Secretary Taft to the President:

on the present conditions in the Philippine Islands, wherein he said:

"Peace prevails throughout the Islands today in a greater degree than ever in the history of the Islands either under Spanish or American rule, and agriculture is nowhere now impeded by the fear on the part of the farmer of the incursion of predatory bands. Under the policy already stated, inaugurated by the instructions of President McKinley to Secretary Root, in reference to the establishment of a temporary government in the Philippines, a community consisting of 7,000,000 people, inhabiting 300 different islands, many of whom were in open rebellion against the Government of the United States for four years, with all the disturbances following from robber and predatory bands which broke out from time to time, due to local causes, has been brought to a state of profound peace and tranquility in which the people as a whole are loyally supporting the government in the maintenance of order. This is the first and possibly the most important accomplishment of the United States in the Philippines."

In conclusion on this point it might be added that six thousand Filipino teachers who are now teaching English have received their English education from our normal schools or our American teachers. Their number is growing, and as declared by Secretary Taft they represent and are the most valuable educational asset we have acquired in working out our school system in the Islands. The Filipino insular teachers are drawn from the graduates of normal schools and also from the students sent by the Government and at the expense of the Government to the United States to be educated here. Forty-six of these students have recently returned from the United States and have been appointed as insular teachers at salaries ranging from eight hundred and forty to nine hundred and sixty pesos per annum, which of course is much less than the salaries paid to American teachers, who get about twelve hundred dollars per annum.

The total school enrollment for the past year, inclusive of the Moro province, was 479,978. This, however, was in the month of March, when the enrollment reached its highest point; but the average enrollment divided by months was 346,245, of which sixty-two per cent were boys and thirty-eight per cent girls. The average daily attendance was 269,000, or a percentage of about eighty-five—the highest percentage of attendance, however, being ninety-four in the City of Manila.

In this connection it might be well to quote in full a few paragraphs from the last report of Secretary Taft on the Philippines, in which he discusses "education in schools" as follows:

#### School Education.

"Reference has already been made to the fact of the very great ignorance and illiteracy that prevail among the Filipino people. It is not too much to say that knowledge of Spanish is a fairly good indication whether an individual can be said to be educated. Statistics show that 7 per cent of the people of the Islands speak Spanish; all the others speak in the varying dialects, which among the civilized people number some 16. The Philippine people should be educated sufficiently to have a common medium of communication, and every man, woman, and child should have the benefit of the primary education in that common medium. Reading, writing, and arithmetic are necessary to enable the rural laborer and the small hemp, cocoanut, or tobacco farmer to make contracts for the sale of his products and to know what price he should receive for that which he has to sell. With this knowledge, too, he will soon be able to know his own rights and to resist the absolute control which is now frequently exercised over him by the local cacique.

"The necessity for a common school system was emphasized in the instructions of President McKinley to Secretary Root, and those responsible for the government of the Islands have been earnest and active in seeking to establish one. The language selected for the schools is English. It is selected because it is the language of business in the Orient, because it is the language of free institutions, and because it is the language which the Filipino children who do not know Spanish are able more easily to learn than they are to learn Spanish, and it is the language of the present sovereign of the Islands. The education in English began with the soldiers of the American Army, one of whom was detailed from each company to teach schools in the villages which had become peaceful. When the Commission assumed authority it sent to the United States for 1,000 American teachers, and after the arrival of these pioneers in the Islands, a system of primary schools was inaugurated together with normal schools.

"Public educational work in the Islands is performed under the Bureau of Education, with the central office located in Manila, having 37 divisions, each in charge of a division superintendent, embracing in all 379 school districts each in charge of a supervising teacher. The total number of schools in operation during the past year was: Primary schools 3,435; intermediate schools, 162; arts and trades schools, 32; agricultural schools, 5; domestic science schools, 17, and provincial high schools, 36, making a total of 3,687 and an increase from the previous year as follows: 327



primary schools, 70 intermediate schools, 15 arts and trades schools, 3 agricultural schools, and 9 domestic science schools. There are engaged in the teaching of these schools at present 717 permanent American teachers and 109 temporary appointees, and all of these are paid out of the central treasury. In addition to these there are what are known as Filipino insular teachers, numbering 455, who are paid out of the central treasury. In addition to these there are 5,656 municipal Filipino teachers, all of whom speak and teach English and who are paid out of the treasuries of the municipalities."

#### **Educational Fund Needed.**

Secretary Taft, in another part of his excellent report, states that the Philippine Government is without funds enough to educate in the primary and industrial schools all the present generation of school age, and unless some other source of funds than the governmental revenue is found it will take longer than a generation to complete the primary and industrial education of the common people of these Islands. "Until that is done," he wisely concludes, "we ought not to lift our guiding hand from the helm of the ship of state of the Philippine Islands."

He lays particular stress upon the importance of this education, however, as the only means of rescuing the Filipino people from their present unfitness for popular self-government. He believes in their capacity for future development by popular education, general and political, which he asserts will enable them to become a self-governing people. Commenting upon the generally admitted fact that eighty per cent of the Filipino people are to-day densely ignorant, he traces the cause of that ignorance to the peculiar conditions under which they have lived for generations in the past, and says:

"They are in a state of Christian tutelage. They are childlike and simple, with no language but a local Malay dialect spoken in a few provinces; they are separate from the world's progress. The whole tendency under the Spaniards was to keep them ignorant and innocent. The Spanish public school system was chiefly on paper. They were for a long time subject completely to the control of the Spanish friar who was parish priest and who generally did not encourage the learning of Spanish or great acquaintance with the world at large. The world owes to the Spanish friar the Christianization of the Filipino race. It is the only Malay or oriental race that is Christian. The friars beat back the wave of Mohammedanism and spread their religion through all the Islands. They taught the people the arts of agriculture but they believed it best to keep them in a state of innocent ignorance."

In order to lose no opportunity to extend the system of general education of the people, every move seems to have been calculated for the benefit of the people. For example, when the Civil Service was established necessarily, in the beginning, subordinate officers and clerks had to be chosen almost exclusively from Americans and competent foreigners, who gradually, however, gave way to the appointment of natives. On this point Secretary Taft in his recent report to the President says:

"The organization and maintenance of the central government were directed not only with a view to its efficiency but also to its educational effect upon the Philippine people. This is shown in the appointment of three Filipinos to constitute three-eighths of the insular legislature as well as by the opportunity offered to Filipinos to enter the civil service under a civil service law embodying the merit system. In the beginning it was difficult to work Filipinos into the bureaus of the central government, because few of them knew English and fewer understood the American business and official methods, which, of course, obtained in the new government. As the years went on, however, under great pressure from the Commission, the proportion of Filipinos in the service was increased from year to year. Many natives had learned English and had shown an increasing aptitude for the work of the civil service. Still in many of the bureaus the progress of Filipinos to the most responsible places is necessarily slow and the proportion of them to be found in the positions of high salaries is not as large as it ought to be in the near future. The winnowing-out process, however, is steadily reducing the American employees in the civil service. It has become a body of highly deserving, faithful public servants, whom, it is hoped, the Philippine government will make permanent provision for."

#### **Some Practical Improvements Made in the Philippines.**

One thing, however, is sure. The honest and earnest purpose of the United States in the beginning of our dominion of the Philippine Islands as announced and set forth in every word uttered or act done by the lamented McKinley and his successor, President Roosevelt, was the establishment of and faithful adherence to a policy of gradual enlightenment and edu-

cation of the Filipinos, with a view to their gradual but steady development into a self-governing people. Under that policy, which has never wavered, the United States made quick arrangements for the participation of the Filipinos themselves in civil government, giving them the right to participate in the enactment of laws as well as their enforcement through the courts, and by the aid of local constabulary and police force composed of duly selected Filipinos. More than this, good wagon roads were constructed between provinces and sections of the Islands which previously had been almost untraversable, and railroads, which had hardly been known there before, were, together with a system of telegraph lines, post-offices, coastwise steamboat transportation facilities, and various agricultural improvements, provided for and inaugurated in all directions. In addition to these industrial developments, watchful attention was directed to the methods and conditions of business in the Islands, and at the proper time provision was made for the establishment of banks for the safe deposit of money—a business blessing which the Filipinos had never known of before.

The Filipino people were also given a non-fluctuating coin and paper currency and, as set forth in detail in a preceding paragraph, a well-defined system of popular education was inaugurated, due provision being made for the education and training of Filipino students to act as teachers in the Filipino schools.

Among the most practical advantages secured for the Islands is the increase in postal facilities, which enables the people to communicate quickly and promptly with the remote parts of the Islands. In 1900 there were but nineteen post-offices, whereas according to the reports for the last year there were five hundred and five post-offices, and the postal employees had increased from one hundred and thirteen to one thousand and ninety-one, while the receipts from the sale of stamps had jumped from 288,187.36 pesos to 607,233.47 pesos. To accomplish this gratifying result a system was devised in which mail subsidies were granted to commercial lines on condition that good service at reasonable rates of transportation should be maintained upon safe and commodious steamers. The Government vessels which had previously been purchased in order to promote intercourse between the Islands are now used on outlying routes only where commercial lines will not take up the traffic, but of course are used in connection with the commercial lines; and in this way continuous mail routes are being extended and the marine commerce communication between the Islands is made to increase and to prosper. By the consent of the Secretary of War, and on the recommendation of the Commanding General of the Philippines and the agreement of the civil government there, all the telegraph lines in the Islands have now been transferred to the Post-office Department of the Civil Government of the Philippines. These telegraph lines reach into the remotest provinces as well as to all of the principal islands of the large Archipelago.

#### **A Notable Business Benefit.**

One of the most notable benefits conferred upon the Filipino people is the postal savings bank, which has proved to be a most advantageous institution. At first this bank was patronized by more Americans than Filipinos, but the Filipinos are now showing their appreciation of it by their recently reported deposits, amounting to over a million pesos. This bank, which was established by the Philippine Commission in May, 1906, allows any person over six years of age residing in the Philippine Islands and not under legal disability to open an account. Before its establishment there was absolutely no secure way for the keeping of money by the people, many of whom had been in the habit of purchasing postal notes to be retained in their possession indefinitely. Thus the Filipinos had little opportunity to make investments of their savings, or to make them secure in any manner, and least of all in a manner to yield them any income. The postal savings

banks allow the people to deposit small sums of money on which they receive interest at the rate of two and one-half per cent per annum, to be increased later if the bank shows that it can be successfully done without loss to the Government.

Another very essential institution needed by the people, and which, if the plans now making are executed, will soon be provided for, is the proposed Agricultural Bank, authorized by the Act of Congress passed last year. As stated recently by Secretary Taft in his special report on the Philippines to the President:

"One of the crying needs of the Philippines is capital, and this whether it be for the development of railroads, wagon roads, manufactures, or in the promotion of agriculture. The usurious interest which has to be paid by the farmers is so high as to leave very little for his profit and maintenance and ever since we entered the islands the cry for an agricultural bank which would lend money for a reasonable interest, say, 10 per cent, has been urged upon the Commission. Last year Congress authorized the government to guarantee the interest of 4 per cent on a certain amount of capital invested in such a bank, but up to this time no one has embraced the opportunity thus offered to undertake the conduct and operation of a bank, although negotiations are pending looking to such a result. It is now proposed that the government shall undertake this instead of a private individual."

#### **Railroads and Dirt Roads.**

Aside from all the other beneficial improvements in the Philippine Islands, however, one of the most valued, from a commercial as well as a moral point of view, is the development of the railroad system there. When the United States captured the Philippine Islands in May, 1898, there were in operation therein only one hundred and twenty miles of railroad, extending from Manila northward to Dagupan. There was later constructed on the authority of the Philippine Commission enough additional trackage to bring the total mileage up to two hundred miles, all being in the Island of Luzon. Under the enabling acts of Congress of July 1, 1902, and February 6, 1905, further concessionary grants were made by the Philippine Commission for four hundred and twenty-eight additional miles of railroad in Luzon, and two hundred and ninety-five miles in the Islands of Panay, Cebu, and Negros. Engineers representing the concessionaries immediately left the United States to make the preliminary surveys and prepare specifications and maps to be submitted to the Governor-General for approval of final routes. These final routes are to be substantially in accordance with those selected by the Government, which have been highly commended by the engineers both of the Government and the concessionaries, one of them stating that the same mileage could not have been better selected to produce revenue or to serve the Government's ends of reaching the large interior towns and rich uncultivated lands and of furnishing an outlet for the present and prospective produce of the Islands. All of the lines will run through rich country, capable of producing large quantities of hemp, rice, sugar, tobacco, cabinet woods, and minerals.

The extension of railroads in the Philippines will correct the very deplorable conditions which have heretofore prevailed on these Islands. Until 1892 there was no commercial railroad whatever on the Islands, but at that time under a grant made in 1887, the Manila and Dagupan Railroad began operations over a line one hundred and twenty miles long. In 1898 when we took possession of the Philippines, this was the only railroad in the Archipelago, inhabited by nearly eight millions of people, with an area of 115,000 square miles. Some idea of the backwardness of this people might perhaps be better given in a comparative way. For example, in Algeria, with a population not exceeding five million and an area of 184,000 square miles, there are about three thousand miles of railway in operation; in New Zealand, with a population of eight million and a half, and an area of 104,000 square miles, there are two thousand four hundred miles of railway in operation; while in Queensland, with a population of five hundred thousand and an area of 664,000 square miles, there are two thousand eight hundred miles in operation, and in Tasmania with one hundred



and seventy-two thousand inhabitants and 26,000 square miles there are one hundred and twenty miles in operation.

It will thus be understood what a lack of progress there was in the Philippine Islands under the Spanish regime, and it was with the view of rescuing the people from the deplorable conditions into which this sort of government had placed them that the United States undertook its munificent policy of developing the Islands and uplifting the people, keeping constantly a watchful eye for opportunity to help them along toward good government as well as agricultural and industrial improvement. In some respects the United States Government, as stated elsewhere in these comments, seems to have been able to do more for the Filipino people than for the people of the United States, because while County and State and National conventions have been for a long time past proclaiming the importance of improving the roads and public highways and many men have been elected to office on that platform, definite laws are yet to be passed on that subject. In the Philippine Islands, however, during 1904 two hundred and fifty-two miles of new roads were constructed and sixteen hundred and sixty-two miles of bad old roads were repaired, while during 1905 there were constructed one hundred and fifteen miles of new roads and nine hundred and ninety-two miles of roads were repaired—these improvements aggregating a total outlay of between three and four millions of dollars. The roads will be of incalculable benefit to the natives in bringing their produce to market and encouraging further industrial development of the country through which they pass. Numerous other roads are also being built in the Islands for the purpose of benefit to the agricultural districts principally, though some of them, it must be admitted, were primarily to assist the military in their operations of safeguarding property and preserving the peace. All of the roads, however, will naturally be of permanent use in the gradual industrial and commercial growth of the Archipelago, as a whole.

In July, 1906, the Philippine Commission passed an act known as the Road Law, which provides that whenever accepted by the Provincial Board and the majority of the Assembly of the Presidents and Counsellors of the municipalities of any province, five days' work upon the highways by every able-bodied man of the province should be rendered every year, or payment of an equivalent of five days' wages in cash. It is believed that these Assemblies will see their way to accept this law, and should they do so there may eventually be established throughout the Archipelago what is known as the Caminero system, which consists in dividing the roads into sections of such length as can be cared for by the continuous work of one man; those wishing to work out their tax may deposit road material at given depositories along the road or give their service to new construction or reconstruction where the nature of the work is such that gangs become necessary. The money received from those not wishing to work is used to support the caminero or road worker. By this system definite responsibility for deterioration of any part of the road can readily be placed, and it has the further advantage of reducing the expenses of repairs, which in the tropics, where the rainfall is so abundant, amounts to considerable within the year.

#### **The Friar Lands.**

The "Friar lands" problem, one of the most fruitful sources of unrest in the whole Philippine situation, was finally disposed of by purchasing some four hundred and ten thousand acres of land at about seven millions of dollars. According to Act No. 1,120 of the Philippine Commission, the lands thus purchased have been placed in the control of the Bureau of Public Lands, with directions to proceed as rapidly as possible to their sub-division and sale to the occupants thereof upon ten years' time and at first cost to the Government. Though the execution of this duty will involve the expenditure of much time and labor, as well as some practical difficulties, still there is a general disposition on the part of the former tenants of the

religious orders, who are the present occupants of the land, to accept the liberal terms offered by the Government. The Governor-General of the Philippines in his report on this subject says: "Whether any ultimate loss will be incurred in these large transactions can only be a matter of conjecture; but however it may be, it must be a subject of real congratulation that what threatened to become a cancerous sore on the body politic has been extirpated."

#### Present Conditions as to Peace and Order.

All these improved conditions in the Philippines have naturally tended to the enlightenment and elevation of the people, whose heightening self-pride and increasing interest in the governmental affairs have undoubtedly exercised upon them a beneficent influence. At any rate, peace now prevails in the Philippine Islands to a greater extent than ever before in their history. True, there have been disturbances in three of the Filipino provinces as well as in the Moro province, but none of these had for its object the expulsion of the sovereignty of the United States, which now seems to be recognized by the Filipino people as a fixed government over the Archipelago. In Cavite, which is regarded as the "Mother of Ladrones," as the people themselves call it, has ever been the hotbed of Ladroneism or gang robbers in the Philippine Islands; and therefore disturbances in that neighborhood assume the nature of brigandage rather than of insurrection against the civil government. The trouble in Samar grew out of abuses in the way of extortion practiced upon their ignorant countrymen by prominent natives who as agents for large export houses in Manila force them to sell their hemp at a nominal valuation and then themselves turn it in to the business houses in Manila at the market prices, putting the difference in their own pockets. Some unscrupulous outlaws in the country took advantage of the excited condition of the people caused by these commercial outrages, organized them into bands, and used them to revenge themselves upon their oppressors and for purposes of reprisal, which have been set forth in detailed reports from the Philippine Commission.

The Mount Dajo affair was a culminating incident of six months of peaceful effort to induce the band of Malay pirates to desist from raids upon a peaceful community. These efforts were interpreted as cowardice and the outlaws finally sent a challenge to the Government forces to come out and fight them. In the encounter that ensued the troops were assisted by the respectable Moro element of the Islands where the disturbances had occurred.

The disturbances in the Moro provinces and on the Island of Luzon were promptly overcome, while that on the Island of Samar continued to manifest itself from time to time. Samar, by the way, was an unknown territory which the Spaniards during their three hundred years of occupation never attempted to explore—the interior of the Island of Samar being a mere tropical jungle and mountain fastness, inhabited by semi-barbarous tribes, the haven of the criminal refugees from surrounding islands, and all in all a nest of iniquity too bad even for Spain to handle. The work of the Americans there was that of pioneers, and with the usual result; but it is worthy of note that the law-abiding inhabitants of the Island have organized volunteers to assist the constabulary in putting an end to further disturbances there, and the cooperation between the civil and the military authorities is complete, so that little trouble may be expected there hereafter.

While of course there must be expected from time to time throughout the Archipelago some minor disturbances as occur even in the most highly civilized communities, still it is safe to assume that there will not be any organized hostile operations on any considerable scale hereafter. The best assurance of this assumption is the noticeable manner in which the people throughout the entire Archipelago have settled down to peaceful occupations, tending their fields and plying their trades with a whole-souled earnestness never before observed. Their

are of course also likely to arise times of depression in business affairs and instances of great discouragement from the failure of crops in certain sections of the Islands—conditions and experiences which are not unusual in other parts of the world where the best of governments prevail—but the reports received from the provincial governors, all of whom are natives, indicate the generally increased prosperity and contentment of the people, with constantly increasing faith and kindly goodwill towards the American government. Not long ago, March 3, 1903, it will be remembered Congress appropriated three million dollars in United States currency for the alleviation of distress throughout the Philippine Archipelago caused from war, loss of cattle from plague, etc. This money was placed at the disposal of the Philippine Commission and by it expended through appropriation acts of the Commission for the relief of the communities of the Islands that were suffering most acutely. Many of the provinces of the Islands where the benefits of this relief fund were felt have, according to the eloquent reports of their governors, shown the good work it has done. One provincial governor (Batangas, in 1904), speaking of the feeling of the people of his province for this generous aid, said: "With an indomitable and invincible spirit, and with head erect, proud of their self-reliance during this struggle against the cruelties of nature, they only bend the head to kiss and bless the generous hand of America and render to it unconditional adhesion and infinite acknowledgment for the splendid gifts that it has showered upon the people in days of sorrow, misery and hunger."

When the United States assumed control of the Filipinos, they were in a chaotic condition of insurrection and intestinal turmoil. They were, as a class, steeped in ignorance, and never had been accustomed to self-government. Now we find them happier, more comfortable, more prosperous, certainly more peaceful and in every way more interested in their lives than ever before—all living under governments conducted in the municipalities and provinces by their own chosen governing officials. We see a judicial system in which a large number of their own people hold place as judges, and we find a legislative body charged with the duty of enacting laws for their government—a legislative body composed in the lower house entirely of their own people, while in the upper house of that legislative body the number of native members of the Commission, which corresponds to the Senate in this country, is within one of equaling those appointed by the United States. Few governments on earth to-day are based upon more liberal principles, which contemplate not only popular suffrage, but every other feature of a Republican form of government, than which none better has ever yet been suggested either by friends or foes.

It would seem only fit and proper to conclude this paper on the Philippine Islands by quoting at length from the President's recent message to the Senate and House of Representatives, which constitutes an interesting resume of the question and reads as follows:

"To the Senate and House of Representatives:

"I transmit herewith the report of Secretary Taft upon his recent trip to the Philippines. I heartily concur in the recommendations he makes, and I call especial attention to the admirable work of Governor Smith and his associates. It is a subject for just national gratification that such a report as this can be made. No great civilized power has ever managed with such wisdom and disinterestedness the affairs of a people committed by the accident of war to its hands. If we had followed the advice of the misguided persons who wished us to turn the islands loose and let them suffer whatever fate might befall them, they would have already passed through a period of complete and bloody chaos, and would now undoubtedly be the possession of some other power which there is every reason to believe would not have done as we have done; that is, would not have striven to teach them how to govern themselves or to have developed them, as we have developed them, primarily in their own interests. Save only our attitude toward Cuba, I question whether there is a brighter page in the annals of international dealing between the strong and the weak than the page which tells of our doings in the Philippines. I call especial attention to the admirably clear showing made by Secretary Taft of the fact that it would have been equally ruinous if we had yielded to the desires of those who wished us to go faster in the direction of giving the Filipinos self-government, and if we had followed



the policy advocated by others, who desired us simply to rule the islands without any thought at all of fitting them for self-government. The islanders have made real advances in a hopeful direction, and they have opened well with the new Philippine Assembly; they have yet a long way to travel before they will be fit for complete self-government, and for deciding, as it will then be their duty to do, whether this self-government shall be accompanied by complete independence. It will probably be a generation, it may even be longer, before this point is reached; but it is most gratifying that such substantial progress toward this as a goal has already been accomplished. We desire that it be reached at as early a date as possible for the sake of the Filipinos and for our own sake. But improperly to endeavor to hurry the time will probably mean that the goal will not be attained at all.

"(Signed)

THEODORE ROOSEVELT.

"The White House,  
"January 27, 1908."

### THE HAWAIIAN ISLANDS.

The Hawaiian Islands are no longer a political issue. While a Democratic President and Secretary of State planned for their annexation more than a half century ago, while they many years later applied for admission and raised the American flag, and while that American flag was hauled down by the orders of another Democratic President, carried out by a former Member of Congress, they have since that time come permanently under the American flag, becoming a territory of the United States with a delegate in Congress, and the relation of those islands to the United States is no longer a political issue. Yet the effect of annexation upon the prosperity of the people and the prosperity of our own trade with them is interesting and worthy of record.

The growth of prosperity in the Hawaiian Islands began with that closeness of relationship brought about by the reciprocity treaty with the United States, which resulted in annexation, and perfect freedom of interchange between those islands, a tropical area with tropical products to sell, and the United States, a temperate zone area desiring tropical products, and having temperate zone products to exchange therefor. The production of sugar, which was formerly almost the sole product, grew from 25 million pounds at the date of the reciprocity treaty to 500 million pounds in the year before annexation; but on the assurance which annexation furnished that the markets of the United States would remain permanently open to this product, the sugar production of the Hawaiian Islands has in the short period since annexation grown to over 800 million pounds, having thus increased over one-half since 1899. The value of the sugar product of the Hawaiian Islands during the decade prior to annexation ranged from 8 to 16 million dollars per annum. In 1899 it crossed for the first time the 20 million dollar line. Since annexation the value has ranged from 25 to 35 million dollars per annum. Practically all of this has been sent to the United States, and in exchange the islands have taken from the United States everything which they import, except certain products of China and Japan especially required by their Chinese and Japanese population, and that class of fertilizers for the plantations which can only be obtained from the nitrate beds of Chile. That the annexation of the Islands and the permanency of trade relations therewith have resulted advantageously to the commerce of the United States is quite apparent from the fact that the value of our shipments to the Hawaiian Islands, which never touched the 10 million dollar line prior to 1900, has been continuously above that line since annexation, and in 1907 was practically 15 million dollars, and in the fiscal year 1908 seems likely to exceed that sum. The total value of merchandise sent from the United States to the Hawaiian Islands in the eight years since annexation aggregates nearly 100 million dollars, while in the eight years immediately preceding annexation the value of our shipments to those islands was but 58 millions, having thus practically doubled as compared with the corresponding term of years immediately prior to annexation.

Meantime conditions in the islands have been greatly improved. Large investments of capital from the United State

were made immediately following the annexation, which thus assured permanency of government, and permanency of relations with the United States; large additions were made to the population, and new efforts were made towards a diversification of industries. The Department of Agriculture established an experiment station in the Islands, and careful studies have been made of the producing power of the various sections with reference to various tropical and subtropical products, with the purpose of diversifying as much as possible the industries and products of the islands, and thus increasing the earning power of the people, and especially of developing opportunities by which persons of small capital or those desiring to build up prosperous lines of business of their own and own their own homes may be able to do so much more readily than in the production of sugar, which requires large estates and large investments.

The Governor of the Islands, Hon. H. W. Frear, in his inaugural address in 1907, referring to conditions since annexation, said:

"Seven brief years, and yet what grand results if we but pause to view them; years, it is true largely of adjustment to new conditions, but equally years of advancement. The entire body of Hawaiian statute laws has been put into compact and harmonious form and added to by numerous laws, remedial and constructive. \* \* \* Local government has been established without the baneful results predicted. \* \* \* Recovery has been had from a calamitous pestilence attended by extensive conflagrations in the capital; scientific investigation has been begun for the ultimate eradication of the most dreaded disease; the public health has never been better safeguarded. \* \* \* The schools have grown in quality of work as well as in number of pupils. Progress has been made in the application of advanced criminological principles, especially as applied to juvenile delinquents. Evidences of moral and religious quickening are apparent on every hand. Much has been accomplished in the construction of public works and preservation of forests, settlement of public lands, introduction of labor, of city-making material, the establishment of diversified industries, the execution of irrigation projects, and utilization of water power. \* \* \* Even before annexation the contract labor system had largely disappeared, a system possessing in some degree the principle of profit-sharing has come into general practice that increases returns to both planter and laborer. The planters have begun extensively to provide the laborers with homes of sufficient size for residence and gardening purposes; a beginning has been made toward co-operation in the establishment of homesteads of sufficient size to support families independently."

#### PORTO RICO.

On the 18th of October of this year, Porto Rico completes the tenth anniversary of its existence within the jurisdiction of the United States. Of this period a year and a half was under military government and eight years and a half under a civil government established by the Act of Congress of April 12, 1900.

The changes for the better in this period of ten years have been remarkable, and the improvement in education, sanitation, commerce, and the administration of justice has demonstrated the wisdom and far-seeing ability of the Republican party. These improvements have not been made without overcoming serious obstacles. In less than a year after the Americans assumed control, the progress of the island received the worst setback known in its history. On August 8, 1899, Porto Rico was visited by the most severe cyclone that it has ever experienced, as a result of which thousands of lives were lost and millions of dollars worth of property destroyed. Not only was the coffee crop for that year totally lost, but a very large percentage of the coffee trees themselves were completely ruined. In many places the soil on the sides of the mountains was washed away, so that where fertile plantations once existed, but bare rocks remained. The serious nature of this disaster can be understood only when it is realized that the value of coffee alone exported during the last years of the Spanish Government exceeded the combined value of all the other exports. The success of the United States, therefore, has been all the more remarkable when one considers the inauspicious beginning of the administration.

Free trade between the United States and Porto Rico was established on July 25, 1901. All duties collected on goods between the United States and Porto Rico prior to this date were subsequently appropriated by Congress for the construction of schools, roads, and other public improvements on the island.

The value of the exports and imports under the Spanish government reached its high-water mark in 1896, when the total trade of the island amounted approximately to the equivalent of \$22,000,000 United States currency. Under American occupation there has been a steady increase in the trade of Porto Rico, which, for the fiscal year ending June 30, 1907, amounted to \$56,263,472. The value of the exports and imports for that year *each* amounted to more than the total trade of the island in any one year under the Spanish government. In the same year more than 204,000 tons of sugar, with a total value of \$14,770,000, were exported from Porto Rico, as compared with the record under Spain, in 1884, of 109,000 tons. The amount of sugar now produced is more than 320 per cent. greater than it was in 1897, the last year of Spanish rule. The value of tobacco exported in the twelve months ending June 30, 1907, amounted to approximately \$5,500,000. The year before the United States assumed control (one of the most prosperous years under the Spanish Government) the value of tobacco exported was approximately \$700,000, showing an increase of 700 per cent. in the ten years of American administration. During the past year more cigars were imported into the United States from Porto Rico than from Cuba. The following brief table shows the increase in the trade of the island since the issuance of the last campaign book in 1904:

Fiscal Year.	Imports.	Exports.	Total exports and imports.
1901.....	\$13,169,029	\$16,265,908	\$27,434,932
1905.....	16,536,259	18,701,561	35,237,824
1906.....	21,827,665	23,257,530	45,085,195
1907.....	29,267,172	26,996,300	56,263,472

It will be noted that the total trade in four years has nearly doubled.

In education also there has been a very great advance. More than 70,000 pupils are enrolled in the public schools, and the expenses for educational purposes now aggregate more than \$1,000,000 annually. 1,200 school teachers are employed, and great effort is being made to extend opportunities for education in the outlying rural districts. When the Americans took charge of the island, they found but one school building owned by the government. There are now over 80 buildings completed or under construction, exclusively for school purposes, including a normal school in the city of San Juan and high schools in the important cities. In addition to this number, over six hundred buildings are rented for school purposes. Education is given in English and Spanish and the children are rapidly acquiring a knowledge of the former language.

Much attention has been paid to the question of sanitation, and in the past ten years thousands of people have been cured of uncinariasis, more commonly known as the hookworm disease. Prior to American occupation this disease was generally attributed to malnutrition. In the early days of American occupation, Army surgeons attendant upon the natives suffering from the cyclone, discovered that this sickness was caused by a parasitic worm, and was curable if taken in time. A Commission was created in the winter of 1904, for the study and treatment of this disease. Free stations for the care of patients were established in central locations throughout the island, and a campaign of education as to the prevention and cure of the disease was at once commenced. The Commission estimated that 90 per cent of the rural population of Porto Rico was infected with this form of anemia, which gradually sapped the strength of the patient, frequently resulting in death. In the past four years over 150,000 natives, or one-seventh of the population, have been treated at the expense of the government. The results have been most satisfactory, and many families, disabled by the disease, have been returned to the number of wage-earners. Hopes are entertained that uncinariasis will be eradicated from the island by the efforts of the administration. This result would work a great change in the social and economical status of the inhabitants of the interior.

In order to afford opportunities to the farmers of the interior to bring their produce to the seacoast for shipment to the markets of the United States and elsewhere, the government has bent its energies to the construction of an extensive system of roads. In the past ten years twice as many miles of macadam roads have been constructed by the American government as were built in the 400 years of Spanish control. This policy has opened up lands in the interior which ten years ago were practically valueless. It is not too much to say that in certain sections of the island the value of land has increased 1,000 per cent. In order to carry on this work further, the insular government, in the winter of 1907, disposed of government bonds to the amount of \$1,000,000, the proceeds to be devoted exclusively to the building of roads and bridges. This is the first and only debt of the insular government since the American occupation. The splendid financial condition and the economic prosperity of the island was so well recognized, that at a time of considerable dullness in the bond market, when many excellent municipal bonds were not bringing par, these 4 per cent twenty-year serial bonds sold at an average of over 107, the longer term series bringing over 113.

In addition to the roads, communication has been greatly increased by railroad construction, the mileage of which is at present approximately double what it was ten years ago.

The insular government operates the telegraph lines, the number of offices of which have increased since 1904 from 39 to 123. Practically all of the operators are Porto Ricans, who have been carefully trained in this work under the supervision of the government.

A number of charitable institutions have been established since American occupation, and the Porto Ricans, always a philanthropic people, have heartily supported the efforts of the government on these lines. In the past few years a blind asylum has been opened for the care of the indigent blind, the government insane asylum has been enlarged and greatly improved and a reform school for boys has been commenced. This latter institution is exceedingly important, as it will remove youthful violators of the law from the corrupting influence of hardened criminals.

An important step taken by the Congress of the United States some years ago was the establishment of the Porto Rico Provisional Regiment of Infantry. Organized in 1899, the enlisted and non-commissioned force of the regiment, consisting of two battalions, is composed exclusively of Porto Ricans. In addition, many of the junior officers are natives of the island, and the force is supported entirely by United States funds. Prior to the American occupation no such regiment was found in Porto Rico. The military forces which Spain maintained in the island, were composed of Spaniards and paid from Porto Rican funds. In this way not only does the United States put into circulation annually a large sum but it provides an institution which gives most excellent moral, mental, and physical training to the natives of the island. On account of the physical improvement, due to regular exercise and good food, the habits of discipline and knowledge of the English language, acquired during the terms of enlistment, former members of the regiment find their services in great demand in various important positions throughout the island.

Public order is excellent, and is maintained by a force of some 800 police, composed entirely of Porto Ricans, with the exception of the chief and assistant chief.

Financially, the United States government has done much for Porto Rico. The customs revenues on foreign articles imported into the island are paid into the insular treasury. The internal revenue laws of the United States are not extended to Porto Rico, but the local legislature is vested with the power of enacting insular internal revenue laws, and the proceeds from these taxes go to swell the revenues of the island, and are not deposited in the United States treasury.

Harbor improvements in the port of San Juan, costing more than three-quarters of a million dollars, have been authorized and begun, and a public building, to cost \$300,000, is under process of construction in the capital.



American capital is being invested in various enterprises, the most important of which are railroads, the construction of sugar centrals, or factories for the extraction of sugar from the cane, electric lighting plants, trolley lines, and in various agricultural enterprises, the most recent and successful of which is the cultivation of citrus fruits and pineapples.

There has been adopted an excellent system of laws based on codes in force in various parts of the United States and made adaptable to conditions existing in the island. Among the most important are codes of criminal and civil procedure, and a civil and criminal code, which do away with many provisions of the former laws repugnant to the ideas of American jurisprudence.

The object of the Republican party in conducting affairs in Porto Rico has been twofold: first to increase the prosperity of the island and to enforce impartial justice, giving equal opportunity to all for advancement; and second, to educate the natives of the island to the standards and principles of American administration, so that increased self-government may be granted them as soon as they show their capacity for it. The administration not only has for its purpose the establishment of good government, but it endeavors to educate the people so that they can take more and more part in that government. Great steps in this direction have already been made. The 66 municipalities of the island have complete autonomy. The officials of the municipalities are elected by popular vote, and have full power to enact ordinances with regard to municipal affairs.

In the judicial branch, the Supreme Court is composed of 3 Porto Ricans and 2 Americans. The judges and district attorneys of the district or trial courts are composed of 13 Porto Ricans and 3 Americans, while all the municipal judges and justices of the peace are Porto Ricans. The legislative assembly is made up of two houses, the lower house or House of Delegates, consisting of 35 members, or 5 from each of the 7 districts of the island, are elected by popular vote, and are all Porto Ricans. The upper house, or Executive Council, consists of 11 members appointed by the President, "at least five of whom shall be native inhabitants of Porto Rico." It will therefore be seen that no act can be passed except with the approval of the lower House of Delegates, composed entirely of Porto Ricans and elected by popular vote.

The number of Americans in positions supported by insular revenues is comparatively small, being less than one-ninth of the total number of employees. Should the municipal employees be included in this number, the percentage of Americans would of course be very much smaller. It will be seen therefore that the Porto Ricans have a very important share in the government. Never before in the history of the island have they been allowed such a large and influential part in the administration as they have at the present time.

The wisdom of the policy of the Republican party during the past 10 years, as directed by President McKinley and President Roosevelt, has been fully demonstrated, and has more than justified the expectations of even its warmest friends. It is safe to say that in no other tropical country in the world has there ever been, in so short a time, such rapid and marked increase in sanitation, order, prosperity and education.

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#### THE PANAMA CANAL.

From Christopher Columbus to Theodore Roosevelt, a period of 400 years, man sought in vain for a means of transferring ocean vessels, carrying men and merchandise across that narrow strip of land which separates the waters of the Atlantic and Pacific oceans, known as the Isthmus of Panama. Scores of surveys were made; thousands of lives were lost; millions of dollars expended in futile attempts, and it remained for the Government of the United States, under a Republican President and Secretary of War, to take the preliminary steps and with the assent of Congress to actually enter upon the work of

constructing a ship canal. In doing this they have laid the plans so broadly and carefully that the country and the world may expect to see a completed modern canal, capable of floating the largest of vessels, in operation by 1915, and to see it constructed at a minimum cost and, what is more important, at a minimum loss of life. It was the first care of President Roosevelt and Secretary Taft in developing plans for this work to inaugurate a system by which the appalling loss of life which had characterized all former undertakings on the Isthmus should be averted, and in this they have been eminently successful. The state of health of the thousands of workmen and officials employed on the canal, and the success of the efforts to prevent tropical diseases have been the marvel of the medical and scientific world, while the speed at which the work is being pushed forward under modern methods is a matter of surprise to the foreign observers and of pride to every American.

The canal is no longer an issue. No American, whatever his party, raises his voice against the policy of the construction and ownership and control of this American Inter-oceanic Canal by the Government of the United States. The feeble protests which were uttered against the prompt recognition of the Republic of Panama by this Government were heard no more when a score of the leading countries of the world hastened to follow our action, and when the issue was presented to the Democratic party in the ratification by the Senate of the treaty with Panama in February, 1904, one-half of the Democrats voting cast their votes with the Republicans for ratification. Since that time the question has been no longer a party issue, and Democrats have vied with Republicans in their expressions of gratification that the dirt is actually flying. Men who have been for years prominent leaders in the Democratic party are devoting their time and energies on the Isthmus and at home to upholding the hands of the President and the Secretary of War, to whom the details of this great work have been intrusted.

#### Record of the Work.

It remains therefore to present at this time merely the record of the work performed in this great enterprise, which every American, irrespective of party, is proud to call that of his country.

Under the provisions of an Act of Congress which had been approved March 3, 1899, the President appointed a commission to examine and report upon the different practicable routes for an Isthmian canal, and this commission finally reported in January, 1902, in favor of the Panama route, although in November, 1901, it had reported in favor of the Nicaragua route. It changed its recommendation, it seemed, in favor of the Panama route after the French canal company had agreed to dispose of all its rights, property, and unfinished work on the Isthmus for forty millions of dollars.

Section 7 of the Spooner Act (June 28, 1902) provided for a commission of seven members, at least four of whom should be engineers, and at least one an officer of the army and one an officer of the navy. The first commission was appointed under this Act on March 8, 1904, with Admiral Walker, of the navy, as Chairman, and General George W. Davis, as the army member, and in addition the following five civilians: William Barclay Parsons, C. E.; William H. Burr, C. E.; Benjamin M. Harrod, C. E.; Carl Ewald Grunsky, C. E., and Mr. Frank J. Hecker.

On May 8, 1904, the Commission passed a resolution designating General Davis as the representative of the Commission on the Isthmus, and under the provisions of a letter addressed by the President to the Secretary of War on May 9, 1904, General Davis was designated Governor of the Isthmian Canal Zone, and was the only member of the Commission who was to be regularly stationed there. In this letter, which might be probably considered an executive order, the President put the work of the Commission under the supervision of the Secretary of War.

The Act of Congress approved April 23, 1904, provided that until the expiration of the Fifty-eighth Congress all the military, civil, and judicial powers, as well as the power to make all rules and regulations necessary for the government of the Canal Zone, and all the rights, powers, and authority granted to the United States by the terms of the treaty between the United States and the Republic of Panama, should be vested in such person or persons and exercised in such manner as the President should direct. In the letter of May 9, 1904, above mentioned, the President directed that these powers should be vested in and exercised by the Canal Commission until the close of the Fifty-eighth Congress. Under this authority the Commission enacted twenty-four laws, covering a wide range of subjects, but dealing principally with the organization of the government of the Zone and the judiciary, including a criminal code.

In May, 1904, Lieutenant Mark Brooke, Corps of Engineers, U. S. A., representing the United States on the Isthmus of Panama, was instructed by the Attorney General of the United States to take possession of all the canal properties there. This transfer of property having been made, instructions were at once given Lieutenant Brooke by the Isthmian Canal Commission to continue operations with the same force of employes and laborers as were engaged on the work under the French Canal Company at that time. At this time no excavation was being done except in the Culebra Division, and the total excavation from May to December, 1904, amounted in round figures to 243,000 cubic yards.

In the meantime, the Walker Commission was occupied with various problems concerning sanitation and government of the Canal Zone, and the acquiring of necessary plant for prosecuting the work. Colonel W. C. Gorgas, U. S. A., was appointed Chief Sanitary Officer, and immediately organized a most efficient system of sanitation.

The Commission was given control over the Panama Railroad, all the commissioners being made directors, it being recognized that the railroad must be an adjunct to the construction of the canal, and at the same time fulfilling the purpose for which it was constructed as a route of commerce.

Mr. John F. Wallace was engaged as Chief Engineer on June 1, 1904.

Nearly all matters of importance came before the Walker Commission as a body, there then being no separate and independent heads of departments as provided in the present organization, except that the Chief Engineer and the Governor of the Zone had a certain limited authority. The Walker Commission was succeeded by the Shonts Commission on April 1, 1905, consisting of four civilians, two of whom were engineers, two army engineers, and one civil engineer of the navy. Mr. Wallace was continued as Chief Engineer and made one of the Commissioners. The personnel of this Commission was as follows: T. P. Shonts, Chairman; Charles E. Magoon, Governor of the Canal Zone; John F. Wallace, Chief Engineer; Rear Admiral M. T. Endicott, U. S. Navy; Brig. Gen. Peter C. Hains, U. S. Army; Col. O. H. Ernst, U. S. Army, and Benjamin M. Harrod.

Under the provisions of an executive order of the President, dated April 1, 1905, three distinct departments were created, namely: (1) The Chairman, in charge of fiscal affairs, purchase and delivery of materials and supplies, accounts and auditing; the commercial operations in the United States of the Panama Railroad and Steamship Lines, and of the general concerns of the Commission, subject to the supervision and direction of the Secretary of War; (2) The Governor of the Canal Zone, in charge of administration of law and of all matters of sanitation, and required to reside on the Isthmus; (3) The Chief Engineer, in charge of actual work of construction on the Isthmus, having custody of supplies and plant there; charged with the practical operation of the railroad on the Isthmus, with special view to its utilization in canal construction; also required to reside on the Isthmus. The other engineer members of the Commission constituted an advisory engineering committee and their headquarters were in Washington. The order provided for the appointment by the Commission of an

Executive Committee of three members to act in place of the Commission during intervals between meetings, and the three heads of the Departments above named constituted this Committee. These heads of Departments were authorized to appoint all officers and employes in their respective Departments, subject to the approval of the Commission.

Mr. Wallace resigned on June 28, 1905, and was succeeded by Mr. John F. Stevens as Chief Engineer, although the latter was not made a Commissioner until June 30, 1906.

#### Lock Canal Adopted.

Chief Engineer Wallace, in a report dated February 1, 1905, recommended that a sea-level canal be constructed, and shortly thereafter a committee of three of the engineer members of the Commission, namely, Messrs. Burr, Parsons, and Davis, also recommended the adoption by the Commission of a sea-level plan. Up to this time it had been assumed that a lock canal would be constructed substantially in accordance with the plan recommended by the former Commission in 1901.

The reports of Chief Engineer Wallace and the Engineering Committee, above referred to, favoring a sea-level canal created doubt as to the best type of canal to be constructed, and in the President's order of April 1, 1905, appointing the Shortt Commission, he declared his intention to appoint a Board of Consulting Engineers to advise on the important engineering questions arising in the selection of the best plan for the construction of the canal. This Board was appointed by the President by an executive order dated June 24, 1905, and consisted of the following eight American and five foreign engineers: General George W. Davis, Chairman; Mr. William Barclay Parsons; Mr. William H. Burr; Mr. Alfred Noble; Gen. Henry L. Abbot; Mr. Frederic P. Stearns; Mr. Joseph Ripley; Mr. Isham Randolph, Americans; and Mr. William H. Hunter, British; Mr. Ad. Guérard, French; Mr. Eugene Tincanzer, German; Mr. J. W. Welcker, Dutch, and Mr. E. Quellenec, of the Suez Canal Staff. This Board divided in its recommendations, eight members, including the five foreigners, and General Davis, Mr. Parsons and Mr. Burr, advocating a sea-level canal with a minimum width of 150 feet; the other five members recommended a lock canal with an 85-foot summit level and three locks at Gatun on the Atlantic side, and one at Pedro Miguel, and two near the coast on the Pacific side. On June 29, 1906, Congress passed an Act directing that the Canal be constructed "of the general type proposed by the minority of the Board of Consulting Engineers," the President, the Secretary of War, and the majority of the Commission having united in recommending this type.

The delay in reaching a decision as to the type of canal retarded somewhat the progress of the work, but as soon as the question was definitely decided the work was prosecuted with gradually increasing vigor.

#### Description of the Canal.

The canal will have a summit elevation of 85 feet above the sea, to be reached by a flight of three locks, located at Gatun on the Atlantic side, and by a flight of two locks at Miraflores, and one lock at Pedro Miguel on the Pacific side; all these locks to be in duplicate, that is, to have two chambers, side by side. The summit level will be maintained by a large dam at Gatun and a small one at Pedro Miguel, making the great Gatun Lake, which will have an area of 164.23 square miles. A small lake, about two square miles in area, with a surface elevation of 55 feet, will be formed on the Pacific side of the canal between Pedro Miguel and Miraflores, the valley of the Rio Grande being closed by a small dam and the locks at Miraflores.

The canal is to be about fifty miles in length from deep water in the Caribbean Sea to deep water in the Pacific Ocean. The distance from deep water to the shore line in Limon Bay, *Atlantic side*, is about  $4\frac{1}{2}$  miles, and from the Pacific shore line to deep water is about 5 miles; hence the length of the



canal from shore to shore will be approximately 40½ miles. The bottom width of the canal will vary from 200 feet in Culebra Cut to an indefinite width in the deep waters of Gatun Lake. The approaches from deep water to land on both sides of the canal are to be 500 feet wide, and the cuts in the shallow parts of the lakes from 500 to 1,000 feet wide. The canal will have a minimum depth of 41 feet. Each lock will have a usable length of 1,000 feet, a width of 110 feet, and a depth of 4 feet 4 inches over the sills. The walls of the locks will be of concrete, and the gates of steel.

The great Gatun dam, which will impound the waters of the Chagres, the Gatuncillo, and Trinidad rivers, and create a lake whose normal summit level will be 85 feet above the sea, will be practically a mile and a half long, half a mile wide at the base, with its crest 135 feet above mean tide, and the top thickness of the dam of the cross section now adopted will be 80 feet. There will be a spillway in about the middle of this dam, constructed through a hill or solid ground now existing, by means of which the level of the lake will be controlled, it being the intention never to let it exceed 87 feet in height. The level of water in the lake will be the same as that throughout the Culebra Cut, and as far as the upper lock gates at Pedro Miguel.

In entering the canal from the Atlantic side a ship will proceed from deep water in Limon Bay to Gatun locks, a distance of slightly over seven miles, through a channel 500 feet wide; going through the flight of three locks at Gatun, she will traverse nearly six-tenths of a mile before reaching Gatun Lake. 85 feet above the sea; thence for a distance of nearly 16 miles there will be a channel through the lake of 1,000 feet or more in width to San Pablo; from San Pablo to Juan Grande, 3.8 miles, the channel will be 800 feet wide; from Juan Grande to Obispo, 3.7 miles, the channel will be 500 feet wide, and it may be said that at this point navigation through the lake will be terminated, and the entrance to the Culebra Cut will begin, although the channel from Obispo to Las Cascadas, a distance of one and a half miles, will be maintained at 300 feet; thence to Cucaracha, a distance of 4.7 miles, the channel will be 200 feet wide, and from Cucaracha to Pedro Miguel, a distance of 1.9 miles, the channel will again widen to 300 feet. Going through the Pedro Miguel lock and approaches, nearly three-tenths of a mile in total length, the vessel will be lowered to the level of Miraflores Lake, 55 feet above mean tide, through which there will be a channel 500 feet wide and 1.4 miles long to the Miraflores locks; thence through the two Miraflores locks, of a total length, including approach walls of over nine-tenths of a mile, she will be lowered to the tide level and proceed through a channel 500 feet wide and 8 miles long to deep water in the Pacific.

It will thus be seen that about 25 miles will be navigated through the two lakes, where the minimum channel width is 500 feet, and where, therefore, practically full speed can be maintained. The sea-level channels at both ends of the canal, a total length of about 15 miles, can also be traversed at practically full speed. Aside from the locks there will be only about 8 miles to be navigated through channels from 200 to 300 feet wide.

#### Amount of Work Done by the French.

The amount of material excavated by the old and new French Panama Canal Companies was 81,548,000 cubic yards, and of this amount it has been estimated that about 36,000,000 yards will be utilized in the construction of the present canal.

#### Work Done by the Commission.

The plan adopted by the United States required a total excavation, since May 1, 1904, of approximately 142,000,000 cubic yards. Up to the end of March, 1908, there had been excavated 31,892,000 cubic yards, leaving 110,108,000 cubic yards to be excavated.

**Caring for Health of Employees.**

Up to the end of January, 1908 (the latest date for which figures are now available), there had been expended over \$13,000,000 on account of civil administration, municipal improvements, and sanitation, which covered the work of building roads, providing fire and police establishments, courts of justice, schools, postoffices, the erection and maintenance of hospitals, and the sanitation of the Canal Zone, including the Cities of Panama and Colon.

The principal streets of Panama and Colon have been paved and water works and sewer systems established in both cities. Three large reservoirs have been constructed and pumping stations and standpipes established where needed, ample provision thus having been made for supplying water for all towns and villages in the Canal Zone, as well as in the cities of Panama and Colon.

During the past year fifteen hotels for Americans, eighteen mess halls for Europeans, and twenty-three kitchens for West Indian laborers have been operated, the employees concerned paying for their meals practically only the cost of food and the operation of the different establishments.

President Roosevelt, commenting upon this subject in his special message to Congress after his visit to Panama in 1906, said: "The first great problem to be solved, upon the solution of which the rest of the work depended, was the problem of sanitation. \* \* The results have been astounding. The Isthmus had been a byword for deadly unhealthfulness. Now, after two years of our occupation, the conditions as regards sickness and the death rate compare favorably with reasonably healthy localities in the United States."

**Contracts to Lowest Bidders.**

The following is a provision relative to contracts for purchase of supplies contained in the executive order of the President, of January 8, 1908, regarding the organization and work of the Commission, and is substantially the same as that contained in the executive order of the President dated April 1, 1905:

"Contracts for the purchase of supplies, involving an estimated expenditure exceeding \$10,000.00, shall be made only after due public advertisement in newspapers of general circulation, and shall be awarded to the lowest responsible bidder, except in case of emergency, when, with the approval of the Secretary of War, advertising may be dispensed with.

"In the making of contracts for supplies or construction involving an estimated expenditure of more than \$1,000.00 and less than \$10,000.00, competitive bids shall be secured by invitation or advertisement whenever practicable."

**The Labor Supply.**

Americans are given preference in every branch of the work in which their services can be had. Few of them are willing to undertake the hard labor on the canal in that climate, and therefore for this class of labor the Commission has been compelled to look elsewhere.

The skilled labor force is recruited in the United States. Agents of the Commission receive applications for all outside positions, personally examining the individual and looking into his previous service record. Whenever an applicant is not within convenient reach of the employment agent written applications are received direct by the Washington Office of the Commission. This includes trainmen, steam-shovel operators, foremen, and mechanics. Clerks, stenographers, draftsmen, doctors, and nurses are secured through the Civil Service registers. All appointments are made through the Washington Office, which also arranges for transportation of employees to the Isthmus, including members of their families. The skilled force on June 30, 1906, was approximately 2,500 and on June 30, 1907, actually 4,404. To increase this force 1,904 men and provide for the usual separations, due to sickness, resignations, etc., 3,038 men were brought from the United States during the year.

An executive order, signed by the Secretary of War by authority of the President, February 8, 1908, provides that on and after that date the employment of skilled laborers, clerks, and all others who had theretofore been known as gold employees of the Commission should be restricted to American citizens, except where American labor or service of the character required is not available. Foreign employees were not to be affected by this order save that in the event of any reduction in force preference should be accorded to American citizens.

Owing to the unwillingness of American laborers to engage in the heavy work in the tropical climate of Panama the unskilled labor force is brought from the West Indian Islands and from Europe. On June 30, 1907, the unskilled labor force consisted of 4,317 Europeans and 14,608 West Indians.

#### Appropriations for the Canal.

In addition to the \$40,000,000.00 paid to the French Company for its property and rights of all kinds on the Isthmus, and the \$10,000,000.00 paid to the Republic of Panama for the rights granted under the treaty between that Republic and the United States, there have been appropriated by Congress the following amounts "to continue the construction of the Isthmian Canal":

Act of June 28, 1902. This Act limits the amount to be thereafter appropriated to the sum of \$145,000,000, of which there is appropriated thereby .....	\$10,000,000.00
Act of December 21, 1905 .....	11,000,000.00
Act of February 27, 1906 .....	5,990,786.00
Act of June 30, 1906 .....	25,456,415.08
Act of March 4, 1907 .....	27,161,307.50
	<hr/>
	79,608,568.58
Act of February 15, 1908 .....	12,178,900.00
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	91,787,468.58

#### Time of Completion of Canal.

In addition to excavation preliminary work on the locks and dams is progressing, and it is estimated that the laying of concrete in the locks will commence about January 1, 1909. It has also been estimated that the determining factor in this time of completion of the canal will be the construction of the Gatun dam, and while the total excavation required for the rest of the work could probably be finished in less time, it is the intention to adjust the whole work so that all the separate parts will be completed at approximately the same time, which, it has been unofficially estimated, will be about January, 1915.

#### What the Canal Means.

[By Charles M. Pepper.]

There are many meanings to the Canal and many results from its construction by the United States.

The daily story of the steam shovels is one of the most fascinating and instructive chapters in the history of canal construction, telling as it does in the record of the thousands of cubic yards excavated in the Culebra Cut the marvelous engineering progress that is being made on the waterway. The sanitary miracle wrought in freeing the Isthmus from yellow fever epidemics and other tropical diseases and in insuring a healthy and effective body of laborers is another chapter in canal building to which the world offers no parallel. The transplanting of the American home life, the schools, the churches, and the Young Men's and Young Women's Christian Associations is a contribution to Christian civilization which will find a responsive echo in the millions of American homes where these ideals are cherished. The zealous and intelligent devotion to duty which is shown by the Canal Commission and its employees, from the highest to the lowest, is an example for all peoples who would

advance in civic virtue up to the American standard. But there are other chapters in which the Canal policy, as inaugurated by President Roosevelt and carried out by Secretary Taft, opens new prospects. There is both the immediate and the ultimate expansion of American commerce and the legitimate extension of the moral and political influence of the United States which goes with it.

The Canal means more trade in the Orient and on the West Coast of Central and South America. It means more trade in the first place because the trade routes are shortened. The Canal puts into force the railway maxim of the short rail and the long water haul as the best for the producer, the common carrier and the consumer. This shortening of the routes means that the Mississippi Valley with its agricultural products, its flour, its farm tools and other machinery has this haul for the 500,000,000 consumers in the Orient. It means that the cotton mills of the South will be closer to this huge body of buyers, and that the shipping of the world will draw on the Southern coal fields for fuel. It means that the factories of New England and the Eastern States, saving the 10,000 miles voyage around Cape Horn, will have a short cut from the Western to the Eastern Hemisphere, which will neutralize the advantage that the Suez Canal gives to their European competitors; that New York will be as near to China as Liverpool is, and that it will be 2,000 miles nearer to Japan.

Here is some of the trade of the United States with the Orient and with Oceania to-day: Japan, \$108,000,000; the Chinese Empire and Hongkong, \$70,000,000; the British East Indies, \$93,000,000; the Dutch East Indies, \$14,000,000. This is a big quantity of goods going out and a big quantity coming in, most of which will be favorably affected by the Canal route. It is some measure of the future growth of our Pacific commerce, which in the last dozen years has risen from \$125,000,000 to \$400,000,000.

Then there is the trade with our American Asiatic capital—Manila. The foreign commerce of the Philippines under our peaceful and fostering control has now reached \$65,000,000, and is expanding toward the \$100,000,000 mark. The present interchange of \$20,000,000 of commodities between the United States and the Philippines will undoubtedly grow, and the United States will absorb a larger share of the business. There is also the trade of our strategic territory in the mid-Pacific, the Hawaiian Islands, which, when the Canal is opened, will be shipping through it 400,000 tons of sugar-cane products to the refineries on the Atlantic coast.

But above all, there is the Pan-American meaning of the Canal. It means that for a large section of South America the dream of James G. Blaine becomes true and the markets of the United States are extended, while the products of those countries flow to us in an unbroken stream. It means that the policy of closer commercial relations which was inaugurated by President Roosevelt will continue unchecked, and that the influence of the visit of Secretary Root in fostering and fomenting Pan-American trade will grow deeper, while the Monroe Doctrine will vindicate its utility to the commerce of both continents. The Canal means that the people of the West Coast of Central and South America, through their reciprocal commercial interest, will be neighbors to the United States in fact as well as in name.

The foreign trade of the South American and Central American countries which are within the radius of the Canal now approximates \$300,000,000 annually. It is not an exaggerated estimate that by the time the waterway is opened this commerce will have reached \$500,000,000, and the tendency will be for it to gravitate more and more to the United States. Here is an illustration of the way commerce has grown since the United States obligated itself to build the Canal:

In 1904 the trade between the United States and Chile was \$15,150,000; Bolivia, a few thousand dollars; Peru, \$7,000,000; Ecuador, \$3,700,000. In 1907 the trade was: Chile, \$28,500,000; Bolivia, \$2,500,000; Peru, \$13,000,000; Ecuador, \$4,800,000. In a single year the imports from Peru were increased by nearly \$5,000,000, and this was because the great American mine interests were getting the first returns from their copper investments.



and were sending thousands of tons across the Isthmus to the mills and factories of the United States to be fabricated into railway material, electrical apparatus, and the countless other articles into which copper enters. When the Canal is opened and these shipments can be made without the necessity of the railway transfer across the Isthmus their volume will be vastly increased, and substantially all the mines of the Andes will be laying down their products in the United States.

The Canal means that the vast treasure house of the Andes, the silver and gold, the tin and copper mines, are to be opened up by capital from the United States, while the products of the farms and the output of the factories will be carried to them more quickly and more cheaply. There are hundreds of millions of untouched mineral wealth lying in these mountains waiting not for future ages, but for the present generation to exploit them. The Canal means the railway building which will make this exploitation possible, because under the paramount moral influence of the United States and under the commercial prosperity which the Andean countries see coming to them as a result of the Canal all are encouraged to maintain the stable government which alone can draw foreign capital to them.

There is now \$75,000,000 of American capital invested in the section of South America which is directly tributary to the Canal. Much of this capital was invested after it became settled that the United States would build the waterway. Without such incentive those Andean treasure-houses would have remained untouched for generations yet. This American capital has gone into the heart of South America—Bolivia—where it is building railways and is opening up tin and copper and silver mines. There is \$25,000,000 of it that already has gone, and more will go in the future. It has gone into Peru, where \$20,000,000 has been invested in a single enterprise, that of exploiting the great Cerro de Pasco copper fields. Other investments of American millions have been made in other copper mines and smelting works in Peru. American capital has gone into Ecuador, where it controls the marvelous railway leading from the coast through the clouds over the Andean plateaus to the ancient capital of Quito. In all the countries it has gone into these mining and railway enterprises, and it is now going into general trade, so that American goods are being pushed and handled by Americans.

One of the first results of the Canal has been the development of the Republic of Panama into a prosperous tropical State. In 1907 it had a total foreign trade of more than \$19,000,000. Nearly \$8,000,000 of this was exports from the mills and factories of the United States to the Canal Zone to be employed in building the waterways. All told, the United States shipped \$18,665,000 worth of goods to Panama. Of the imports taken by it in addition to the Canal supplies there was \$5,200,000 of other commodities from the United States, and the prosperous little commonwealth increased its exports by \$843,000, the total amount being \$1,961,000. Practically all these exports were taken by the United States.

Here are some of the products from the farms and factories of the United States that were consumed on the Isthmus during 1907: Flour, \$350,000; cotton cloths and wearing apparel, \$850,000; coal, \$545,000; explosives, \$275,000; steel rails, \$376,000; wire, \$167,000; locomotives, \$1,093,000; other steam engines, \$1,015,000; miscellaneous iron and steel products, \$1,540,000; boots and shoes, \$421,000; packing house products, \$1,400,000; illuminating and other oils, \$280,000; vegetables, \$284,000; paints, \$157,000; soap, \$116,000; sugar, \$94,000; lumber and various products of lumber, \$2,000,000; miscellaneous products, \$1,600,000.

The growth in the commerce between the United States and the countries of Central and South America, the new market for railway material and machinery, for textiles and breadstuffs, the employment of American capital in building the railroads and in opening up the mines, the opportunities for young Americans which these enterprises have offered, are among the first fruits of the Canal. A larger trade, more paying investments, and wider opportunities will come as the work progresses.

## THE DEMOCRATS AS EXPANSIONISTS.

**Democrats Schemed for the Annexation of Cuba, Hawaii and Other Islands.**

Nearly every Democratic President from Jefferson to Buchanan expressed a desire for the addition of Cuba to the territory of the United States, several of them hinting at a similar desire with reference to Porto Rico, and that at least one of them actively pressed for the annexation of the Hawaiian Islands to the United States, while schemes looking to the addition of non-contiguous territory in Central America and upon the Isthmus of Darien were favored by leading Democrats.

**Many Democratic Presidents Wanted to Annex Cuba.**

Jefferson, both while President and afterwards, in correspondence with Madison and Monroe, frequently expressed a desire that Cuba should some time become a part of the United States, and the Democratic text book as late as 1898, issued as an official document of the Democratic party, quotes extracts from his letters in support of that statement. President Monroe also expressed himself in favor of making Cuba a part of the United States. Polk favored the annexation of Cuba, and Hon. James D. Richardson, the present member of Congress from Tennessee, who now holds up his hands in holy horror at the thought of this kind of expansion, says in his index to the Messages and Papers of the Presidents, page 332, volume 10:

President Polk made a proposition in 1840 for the purchase of the island by the American Government for \$100,000,000. In 1834 the Ostend manifesto claimed the right of the United States, should Spain refuse to sell Cuba, to take and annex it.

The Ostend manifesto, it will be remembered, was an announcement made by President Pierce's Ministers to England, France and Spain (Buchanan, Madison, and Soule), in which they suggested that an earnest effort be made to purchase Cuba at a price not to exceed \$120,000,000, and added that if this should be refused by Spain "we should be justified by every law, human and divine, in wresting it from Spain if we possess the power," a proposition of which Lossing, the historian, says: "The bald iniquity of this proposition amazed honest men in both hemispheres."

Spain having refused to sell, and the sentiment of the world failing to sustain the Democratic proposition to seize the island, Pierce's Administration failed, but that of Buchanan immediately took it up again, and President Buchanan, in three of his annual messages to Congress, urged that Cuba ought to be made by purchase a part of the United States. During his term a bill for that purpose was introduced in Congress by Senator Slidell, whose name is well remembered in connection with the Confederate Government, and was sustained by Southern Democrats generally, while the same proposition for obtaining control of the island of Cuba by some process was publicly commended by Jefferson Davis in a speech in his own State during that time. The efforts of the various Democratic Presidents for the purchase of Cuba having been rejected by Spain, the Democratic national convention took up the question and in the platforms upon which two of its candidates, Douglas and Breckinridge, ran in 1860 it declared pointedly in favor of the annexation of Cuba, as follows:

*Resolved*, That the Democratic party are in favor of the acquisition of the island of Cuba upon such terms as shall be honorable to ourselves and just to Spain.

**Democratic Effort to Annex Hawaii.**

It is also on record that at least one Democratic President attempted to make Hawaii a part of the United States, although within the memory of the present generation a Democratic President hauled down the United States flag in that island and withdrew from the Senate a treaty of annexation which a Republican President had sent to that body. Under President Pierce an active effort was made to annex Hawaii, and probably would have been successful but for the death of

the King after the treaty of annexation had been prepared and forwarded to the United States. It is a matter of official record in the State Department that negotiations were opened by President Pierce, through his Secretary of State, Marcy, and the Minister to the Hawaiian Islands, David L. Gregg, for the annexation of Hawaii; that a treaty for that purpose was drawn and forwarded to the United States in 1854, and that while President Pierce objected to certain of its features, his Secretary of State responded to Minister Gregg that—

This Government will receive the transfer of the sovereignty of the Sandwich Islands with all proper provisions relative to existing rights of the people thereof, such as are usual and proper to territorial sovereignty. The President directs me to say that he can not approve of some of the articles of the treaty; there are in his mind strong objections to the immediate incorporation of the islands in their present condition into the Union as an independent State. It was expected that the Hawaiian Government would be willing to offer the islands to the United States as a Territory and leave the question in relation to their becoming a State to the determination of this Government, unembarrassed by stipulations on that point. \* \* \* The President desires me to assure you that he takes no exception whatever to your course in this difficult and embarrassing negotiation, but, on the contrary, it is highly approved. Your efforts have been properly directed and your ability is appreciated and commended.

**Yucatan and the Danish West Indies wanted by Democratic Presidents.**

In addition to the above evidence of Democratic efforts to add island territory to that of the United States, a part of it thousands of miles away, it may be further remarked that President Polk in a message to Congress, on April 29, 1848, intimated strongly a desire to send troops to Yucatan and take possession of that territory, suggesting that this might be advisable in order to prevent that territory from falling into the hands of a European power, while President Johnson, after severing his allegiance to the Republican party and receiving the support of the Democrats, recommended, in a message to Congress, the purchase of the Danish West Indies.

[Extracts from Democratic Platforms.]

1844

The reoccupation of Oregon and the reannexation of Texas at the earliest practicable period, are great American measures, which this convention recommends to the cordial support of the Democracy of the Union.

1860

That the Democratic party is in favor of the acquisition of the Island of Cuba on such terms as shall be honorable to ourselves and just to Spain, at the earliest practicable moment.

1884

This country has never had a well-defined and executed foreign policy save under Democratic administration. That policy has ever been in regard to foreign nations, so long as they do not act detrimental to the interests of the country or hurtful to our citizens, to let them alone; that as a result of this policy we recall the acquisition of Louisiana, Florida, California and of the adjacent Mexican territory by purchase alone, and contrast these grand acquisitions of Democratic statesmanship with the purchase of Alaska, the sole fruit of a Republican administration of nearly a quarter of a century.

**IMPORTS OF TROPICAL AND SUBTROPICAL ARTICLES INTO THE UNITED STATES.**

These tables are given because of their special interest at this time when the United States is developing a close relation of interchange with certain tropical areas: In the case of Porto Rico and Hawaii, an absolute freedom of interchange of its manufactures and temperate zone products for the tropical pro-

ductions of those islands; in the case of the Philippines, reduced rates of duty on articles coming from those islands, and in the case of Cuba, a reduction in rates of duty on products coming from that island and in return therefor reduced rates of duty on articles from the United States entering that island. It will be seen that the value of tropical and subtropical merchandise brought into the United States, including that from our own islands, has grown from 145 million dollars in 1870 to 567 millions in 1907, and that a very large proportion of these articles are of classes absolutely required for manufacturing or for foods and in most cases of a class which are not produced in the United States, or at least not sufficient for our own requirements.

*Value of principal imports of tropical and subtropical articles at quinquennial periods from 1870 to 1907.*

Articles.	Year ending June 30—			
	1870.	1890.	1900.	1907. b
Sugar and molasses a.....	\$80,802,601	\$82,915,044	\$85,949,891	\$127,354,48
Coffee .....	24,234,879	78,267,432	52,467,943	78,381,182
Silk .....	3,017,958	24,831,867	45,329,760	71,411,809
Fibers .....	6,043,102	20,541,767	26,373,805	42,254,355
India rubber and gutta percha .....	3,459,665	14,854,512	31,792,697	59,121,320
Fruits and nuts .....	7,416,592	20,746,471	19,263,592	37,040,689
Tobacco, and mfrs of .....	4,181,736	21,710,151	15,661,360	35,608,109
Tea .....	13,863,273	12,817,493	10,558,110	13,915,344
Cotton .....	331,573	1,392,728	7,960,945	20,966,684
Vegetable oils .....	2,511,334	3,221,292	6,320,711	15,394,881
Gums .....	1,288,494	5,607,280	6,884,704	14,974,156
Cocoa, and mfrs of, and chocolate .....	418,064	2,859,612	6,210,985	14,578,989
Spices .....	1,513,126	3,223,071	3,401,265	5,113,000
Cabinet woods .....	670,131	2,430,702	2,430,702	5,355,600
Rice .....	1,007,612	2,510,674	2,279,036	4,548,256
Cork, and mfrs of .....	224,918	1,588,767	1,909,483	4,063,982
Feathers .....	52,760	1,741,383	1,736,458	4,401,154
Opium .....	1,776,908	1,453,208	2,189,721	3,068,126
Licorice .....		791,503	1,667,256	1,140,541
Ivory .....		909,582	1,049,034	2,470,405
Dyewoods and extracts .....	1,337,093	1,943,272	1,083,644	913,465
Indigo .....	1,203,664	1,827,937	1,446,490	1,233,541
Vanilla beans .....		559,867	1,209,334	1,523,156
Sago, tapioca, etc. ....	388,621	1,108,726	411,029	1,432,682
Barks for quinine .....		282,775	563,065	380,553
Sponges .....	86,483	416,718	536,303	488,426
Total .....	\$144,830,587	\$307,246,555	\$336,687,323	\$567,166,242

a Only cane sugar not above No. 16 Dutch standard in color, and molasses.  
b Includes articles from Hawaii and Porto Rico.

*Quantities of principal articles of tropical and subtropical growth imported from 1870 to 1907.*

Articles.	Year ending June 30—				
	1870.	1880.	1890.	1900.	1907.
Sugar a. lbs.	1,196,622,049	1,829,286,030	2,332,320,896	3,305,087,796	5,196,909,054
Coffee ..do.	235,256,574	446,850,727	499,159,120	787,991,911	986,560,779
Silk ..do.	533,589	2,562,236	5,943,360	11,259,310	18,743,904
India rubber and gutta percha, lbs.	9,624,098	16,823,099	33,642,374	58,506,569	77,510,785
Tobacco, leaf ..do.	6,256,540	9,759,355	28,720,674	19,619,627	42,341,300
Cotton ..do.	1,698,133	3,517,792	8,606,049	67,398,521	127,833,809
Fibers ..tons.	43,533	111,751	195,332	249,306	312,983
Cocoa ..lbs.	3,610,845	7,403,613	18,266,177	41,746,872	92,249,819
Olive oil, gal.	251,727	383,131	893,984	967,702	3,449,517
Tea ..lbs.	47,406,481	72,162,936	83,886,829	84,845,107	86,302,400
Rice ..do.	43,123,939	57,006,255	124,029,171	116,679,891	213,144,082

a Cane sugar under No. 16 Dutch standard in color only; figures of 1880 include sugar from Hawaii and Porto Rico.



## Trade of the United Kingdom with its Colonies.

The table which follows showing the trade of the United Kingdom with its Colonies is suggestive and interesting, especially in the showing which it presents as to the market which that country finds for its merchandise in the communities with which it has relations of this character. It will be noted that while the total exports of the United Kingdom have barely doubled in the period from 1869 to 1906, the exports to her colonies have nearly trebled during the same period and that the value of her merchandise sold in the colonies in that period aggregates 16 billions of dollars.

*Statement showing the total imports and exports of the United Kingdom, and the amount imported from and exports to her Colonies during the past thirty-eight years, 1869 to 1906.*

Year.	Imports.		Exports.	
	Total Imports.	Imports from colonies.	Total exports.	Exports to colonies.
1869	\$1,437,857,131	\$342,681,854	\$1,153,433,750	\$252,531,187
1870	1,475,802,590	315,506,938	1,187,818,128	269,561,917
1871	1,610,886,833	354,984,010	1,380,016,278	270,389,037
1872	1,726,116,521	386,267,969	1,530,946,561	319,287,259
1873	1,806,869,996	394,235,759	1,513,504,689	346,240,316
1874	1,801,007,465	309,845,456	1,448,515,983	379,149,151
1875	1,819,776,951	410,849,255	1,370,466,370	373,041,611
1876	1,825,690,302	410,404,481	1,219,603,334	341,384,435
1877	1,919,443,383	435,814,531	1,228,041,906	368,647,838
1878	1,794,622,816	379,810,859	1,194,647,195	350,352,514
1879	1,766,499,960	384,174,348	1,210,704,241	323,665,917
1880	2,001,248,678	450,242,765	1,393,835,990	396,753,915
1881	1,932,109,943	445,477,755	1,445,753,324	421,834,021
1882	2,009,959,922	483,880,460	1,492,384,385	449,361,013
1883	2,077,467,869	480,233,544	1,486,409,501	439,933,016
1884	1,898,025,366	466,273,531	1,440,326,242	429,729,930
1885	1,805,315,553	410,741,034	1,321,129,720	416,034,710
1886	1,702,610,586	398,488,605	1,308,891,227	400,184,846
1887	1,762,780,440	407,806,203	1,368,765,830	400,367,265
1888	1,886,429,343	422,975,439	1,453,027,603	446,393,791
1889	2,081,098,356	478,315,335	1,535,831,773	442,053,886
1890	2,047,297,603	467,968,548	1,597,438,932	459,993,595
1891	2,119,074,911	484,045,050	1,504,301,909	454,229,956
1892	2,062,392,927	475,779,718	1,419,266,868	395,215,964
1893	1,969,415,018	446,596,048	1,318,693,391	382,425,688
1894	1,987,210,018	457,023,556	1,332,378,922	382,438,613
1895	2,027,820,221	464,897,767	1,391,003,409	370,205,123
1896	2,150,063,031	453,596,873	1,422,329,445	441,148,330
1897	2,194,932,434	457,586,162	1,431,598,345	423,212,102
1898	2,289,905,792	484,815,412	1,430,819,072	438,523,897
1899	2,360,425,695	519,884,764	1,603,680,413	458,665,678
1900	2,545,545,281	533,030,835	1,721,559,874	496,500,059
1901	2,510,265,299	513,774,440	1,672,881,460	550,490,518
1902	2,571,416,135	519,708,295	1,699,570,518	571,869,627
1903	2,610,594,306	553,178,889	1,753,758,475	581,469,826
1904	2,681,629,483	584,069,573	1,805,545,496	587,792,884
1905	2,740,669,426	622,273,136	1,983,568,499	597,182,461
1906	2,958,289,385	691,847,141	2,241,888,602	635,793,874

Total exports of United Kingdom to colonies from 1869 to 1906,  
\$16,064,055,170.

We are no more against organizations of capital than against organizations of labor. We welcome both, demanding only that each shall do right and shall remember its duty to the Republic.—President Roosevelt at Milwaukee, Wis., April 3, 1903.

Any unjust discrimination in the terms upon which transportation of freight or passengers is afforded an individual or a locality paralyzes and withers the business of the individual or the locality exactly as the binding of the arteries and veins leading to a member of the human body destroys its life.—Hon. Wm. H. Taft, at Columbus, Ohio.

The course of the Republican party since its organization in 1856, and its real assumption of control in 1861, down to the present day, is remarkable for the foresight and ability of its leaders, for the discipline and solidarity of its members, for its efficiency and deep sense of responsibility for the preservation and successful maintenance of the government, and for the greatest resourcefulness in meeting the various trying and difficult issues which a history of now a full half-century have presented for solution.—Hon. Wm. H. Taft, at Kansas City, Mo.

## RECENT TEMPORARY GOVERNMENT OF CUBA BY THE UNITED STATES AND ITS EFFECT ON THE CONDI- TIONS IN THE ISLAND.

On May 20, 1902, the military government of Cuba, by order of President Roosevelt, issued in compliance with the promise made by the United States Congress in the Teller Resolution, transferred the government of Cuba to its newly elected President and Congress. Under the presidency of McKinley, a brief war with Spain had secured Cuba's freedom from Spanish dominion. Three years of military administration had established order, constituted a government, placed the finances of the country on a sound basis, and the new Republic entered on its national life under the best auspices. But one circumstance distinguished it, in its relation with the United States, from other Latin American Republics; namely, the existence of a law of the American Congress, known as the Platt amendment, which had been adopted by the Cubans as a part of their constitution, and was later embodied in a permanent treaty between the two countries. According to the law and treaty, the Republic of Cuba undertook to enter into no compact with foreign powers which would tend to impair the independence of the Republic, to contract no public debt to the service of which it could not properly attend, to lease coaling stations to the United States, and to execute and extend plans for the sanitation of the cities of the Island, and consented that the United States might exercise the right to intervene for the preservation of Cuban independence, the maintenance of a government adequate for the protection of life, property, and individual liberty, and for discharging the obligations with respect to Cuba imposed by the Treaty of Paris on the United States which were now to be assumed and undertaken by the Government of Cuba.

But while economically, with the assistance of the United States, the progress of Cuba was highly gratifying, in political matters, where the Cubans were left to themselves, the result was not so satisfactory. It was soon evident that political passion was becoming more and more intense, and personal ambition keener. To such an extent was partisanship carried in the Cuban Congress, that the minority party, availing themselves of the provisions of the constitution which require the presence of two-thirds of the total membership of each branch to open sessions and of the omission of the constitution to provide means for compelling the attendance of absent members, remained away from the meetings of the Congress and prevented sessions except at irregular intervals. During the term of Congress lasting from April 4th to October 20th, 1904, a period of 199 days, the Lower House was, due to the obstructive tactics of the minority, able to hold but sixteen daily sessions and the Senate but twenty-six daily sessions; and a similar record of infrequent and irregular sessions continued throughout 1905.

For the administration of the executive departments no law whatever has been provided. The Cuban Congress, engrossed in its political squabbles, took no steps to remedy the situation beyond passing an electoral law, the defects of which made extraordinary fraud possible, and a skeleton provisional law. Those who had criticised the military government for promulgating legislation instead of leaving all legislative matters for the action of the Cuban Congress, were effectively silenced. So barren of legislative results were the sessions of Congress, that in five years of the self-administered Republic only two annual budgets were passed; the three remaining budgets being pro-

vided, when Congress had failed to act, by the doubtful expedient of executive order.

Another source of bitterness was the policy of the government, in the hands of the Moderate party, to dismiss the officeholders of the opposition party, the Liberals, and to reserve the positions in the public service for its own followers. Local pride was especially outraged by the action of the Moderate government in turning out the Liberal town councils, by illegal or technical interpretations of the irritating municipal law, and substituting Moderates.

But what most exacerbated the strained relations between the political parties were the intimidation and colossal frauds practiced at the elections of 1905. The Liberals claimed that the Moderates used the rural guard and municipal police to intimidate the voters, that the assaults to which the Liberals were exposed were such as to make it dangerous for them to appear for registration, and they accordingly refrained from registering, and withdrew from the elections. Nevertheless, the returns made by the Moderate election judges showed that 432,313 persons had voluntarily appeared for registration. That the electoral lists had been padded to the degree of absurdity is made evident by the fact that the census of Cuba just completed shows that there are now in the Island only 419,342 persons of all parties entitled to vote. It is probable that 200,000 names were fraudulently inserted in the registration lists.

Even during the elections there had been armed encounters between individual Moderates and Liberals. In Cienfuegos, an attempt made by the Moderate chief of police to arrest a Liberal congressman resulted in the death of both, and the government was bitterly blamed. A few months later a pest of the rural guard near Habana was attacked and several guards murdered while asleep, and prominent Liberals were charged with this deed. But it was not until August, 1906, that open revolt against the government began. On that date a small armed force took the field, and uprisings immediately followed throughout the country led by prominent leaders disaffected with the government. The ranks of the insurgents were augmented on account of the natural tendency to insurrection that had been cultivated by a long period of insurrection in Cuba, as well as by the inclination of many to secure relief from daily toil and live on the country and property of others. The power of this irregular force to do damage was incalculable. The greater part of the wealth of Cuba lies in its sugar plantations and sugar mills, most of which are owned by foreign capital, and the flaring of a few matches could in a short time have destroyed property of this kind to the value of millions of dollars.

The government of Cuba found itself entirely unprepared. Its artillery and rural guard force was comparatively small, and so scattered as to be unable to cope with the insurrectionists. The government made desperate efforts to organize militia, but with very unsatisfactory results. President Palma, in a letter to a friend a few weeks later, thus summarized the situation:

From the first days of the insurrectionary movement I understood the situation and was able to appreciate it with a serene mind. I saw before me numerous masses, tired of the order and legality to which they appeared to have submitted during the four years of the Republic, eager for license and forays, follow like a mob the first adventurer who invited them to rise; I saw everywhere persons who sympathized with disorder and encouraged disturbances; I saw the press in the morning, afternoon, and at all hours, assisting with unparalleled cynicism the secret conspiracy organized in behalf of the rebels; I suddenly found myself in the midst of a tremendous social disorganization, with thousands of insurgents in three provinces and the menace of rebellion in two others, without sufficient regular forces to undertake immediately an active campaign against the former and to beat and disorganize them; at the same time I constantly feared that they would carry to the great sugar plantations of Santa Clara the measures of destruction already realized on railroad stations, locomotives, bridges, culverts, etc.; I saw the customs revenues fall off by one-half and the other income of the State to 25 or 30 per cent., and that the millions of the Treasury were being spent in streams with uncertain result and to very doubtful advantage, a large part being used for keeping up hastily improvised militia, which, for that very reason, could not inspire sufficient confidence as to their reliability for undertaking the labor, the privations, and the dangers of a constant persecution of adversaries, who were also Cubans and in a great number of cases friends and comrades.

without bringing into active service the military power at your command to compel a cessation of the struggle for supremacy between the contending forces. But in less than one month the wise and sagacious methods you pursued and the skill and adroitness with which you approached the difficult task committed to your charge have brought peace and quiet to Cuba. Warlike conditions have vanished, with no immediate probability of their resumption. The armed forces have surrendered their arms and most of them are already in their fields and shops engaged in peaceful industry.

"Not the least satisfactory of the considerations involved is the fact that in the settlement of the turbulent conditions that have prevailed, you have caused but little irritation or resentment, and have secured from the Cuban people increased respect and regard for the United States, and greater confidence and trust in the goodwill and wishes of the American people for the people of Cuba and their future welfare.

"We do not believe that so successful and speedy an achievement under conditions so difficult and dangerous has any parallel, and the thanks and gratitude of the people of Cuba, as well as of the great people you represent, are due to you for these inestimable services.

"Wishing you a safe return to the United States and the enjoyment of higher honors in the future, we are,

Very sincerely yours,

"S. S. HARVEY,  
"H. E. HAVENS,  
"WM. HUGHES,  
"H. W. BAKER,  
"DR. C. CLIFFORD RYDER,  
"ALFRED LISCOMB,  
"W. ROBERTS,  
"WM. B. HINE,  
"J. E. BARLOW,  
"CHAS. HASBROOK,  
"Committee."

Upon Secretary Taft's leaving the office of Provisional Governor, President Roosevelt appointed in his place the Hon. Charles E. Magoon, who had shortly before retired from the position of Governor of the Canal Zone and the American Minister to Panama, in which post he had successfully carried out the difficult task of organizing the Canal Zone Government, and had established friendly relations with the Republic of Panama. To assist him, officers of the United States Army were appointed advisers to the acting secretaries of the Cuban executive departments.

#### Governor Magoon's Administration.

Governor Magoon's administration has been one the benefits of which will endure for generations in Cuba. Its most lasting monument and the most grateful to the poor farmer of the country will be the network of roads constructed under American supervision. Cuba is dependent upon its agriculture for the production of wealth, and has been subjected to great economic waste by reason of lack and cost of inland transportation. The products of Cuba are hauled to market over trails that are barely passable during the dry season and absolutely impassable during the rainy season. In many localities it is impossible to transport the products in wagons or carts and necessary to pack them on horses or mules. Where carts can be used, it is necessary to employ from four to ten oxen, horses or mules, where two would be sufficient if good roads existed. Days are spent in hauling a load to market where hours would be sufficient if the roads were good. Realizing the necessities of the situation, the provisional government has given its best efforts to supplying the remedy. A comprehensive plan of road improvement was adopted; and in all parts of the Island trunk roads and local roads have been constructed and are now under construction, to the amazement and delight of the agriculturist, who has never seen his needs given such attention. On September 29, 1906, when the provisional government began, there were but 366 miles of macadamized highway in Cuba, many of which had been constructed under the American military government. On May 1, 1908, the mileage had been increased by the provisional administration to 573 miles and there were 457 miles of road under construction, most of which will be completed by the end of the current year.

Other public works have been provided in all parts of the Island. Harbors have been dredged, lighthouses built, hospitals, asylums, courthouses and other public buildings erected and repaired, bridges provided, and waterworks furnished the prin-



cipal towns. All these important works, as well as the road-work, have been paid for out of current funds.

Careful attention has also been given to the legislative needs of the Island. It was a commentary on the necessity for legislation that nearly all the bases of settlement between the warring factions, proposed during the period of deliberation which led up to the establishment of the provisional government, incorporated more or less urgent demands for legislation, and particularly for legislation under the constitution affecting municipal and judicial administration. To meet this demand for legislative action, and in pursuance of the plan of the Peace Commission, an advisory commission was created, composed of twelve members, nine of whom were prominent Cubans, all political parties being represented, and three Americans, who had had experience with Spanish law. The commission on organizing was charged with the drafting of five laws: An electoral law, a municipal law, a provincial law, a judiciary law, and a civil service law. To these have since been added a law organizing the armed forces, a military code, a law organizing the national executive departments, a general telephone law, a notarial law, and the revision of portions of the mortgage law. Numerous minor decrees have also been reported by the commission, and the lack of adequate legislation at present obliged the commission to draft a municipal accounting law and a municipal tax law in connection with the organic municipal law. The work of the Advisory Law Commission is thus a work of organization of practically every fundamental branch of the Cuban Government. The law of the executive departments, together with the civil service law, will reorganize the executive power of the national government; the organic municipal law and the laws of municipal accounting and municipal taxation will afford to the municipalities a government in harmony with the constitution; the electoral law is applicable to offices national, provisional, and municipal; the judiciary law organizes the courts and provides for the independence of the judiciary; while the law of armed forces and the military code organize the military establishment of the Republic. Of these laws, the electoral law and the law of armed forces, as well as numerous minor decrees reported by the commission, have been promulgated by the Provisional Governor. Drafts of the provincial and municipal laws have also been reported and approved. In all of these cases the proposed laws have been printed and distributed for public criticism prior to promulgation. Most of the laws drafted by the commission will be promulgated by the Provisional Governor, and the remainder will be submitted for action to the Cuban Congress.

In addition, a commission has been convened, constituted by prominent Cuban judges and lawyers, for the revision of the harsh and antiquated penal code and the code of criminal procedure.

Much attention has been given to the matter of sanitation, which, in Cuba, is not only of vital importance to the health of the inhabitants but has also a direct bearing upon the development and commerce of the country, for vessels will not seek to enter a port of the Island if all other ports of the world are quarantined against Cuba. The matter is also one of serious moment to the people and the commerce of the Southern States of the United States. The dreaded yellow fever had been stamped out in Cuba during the American military government, but has reappeared. Indefatigable work on the part of the provisional administration has again suppressed it. In view of the special importance of sanitation in Cuba, a law has been promulgated which nationalizes the sanitary service of the Island, and provides a national board of sanitation charged with the responsibility of securing proper sanitation throughout the Island and invested with the authority necessary for obtaining that result.

Public order has been kept perfectly, and at no time for a century has the Island been as quiet and as free from marauding bands as under the American Provisional Administration. The presence in the Island of an American Army detachment, numbering about 5,000 men, and known as the Army of Cuba

Pacification, has assisted in great measure in renewing confidence. The rural guard, which had been used as a political agency, has been reorganized by American Army officers and restored to its original efficiency. For the purpose of enabling the new Cuban government to maintain itself, a decree has been issued providing for the organization of the armed forces. Under this decree the method of calling the militia into service is regulated, and provisions are made for the establishment of a permanent army, which is now being organized.

It fell to the provisional government to pay practically the entire cost of the uprising of 1906, as well as the debts incurred by the Cuban government, when it was struggling with the insurrectionists, as the damage caused by the revolutionary forces. Such payments have, up to the present time, amounted to over \$9,000,000. As a consequence of the revolution, about 15,000 claims for damages were filed by Cubans and aliens, the total amount claimed exceeding \$4,000,000. A commission of American officers and Cubans have investigated and reported on every claim, and recommended payments to the amount of \$1,390,088.39, all of which have been made, except in a few cases that are being reconsidered on appeal.

Many long pending questions, which had troubled the Cuban authorities for years, have also been settled. A question between the State and the Catholic Church, involving the purchase of property owned by the Church in Habana and used by the State, has been satisfactorily settled and the purchase carried out. A water famine in the outskirts of Habana has been remedied by the acquirement in behalf of the municipality and under excellent conditions of a water concession, on account of which the city and national government had been engaged in costly litigation for years, while the public suffered from lack of water. A decree has been issued to facilitate the demarcation of large unsurveyed estates held in common in the eastern part of the Island, the division of which has for a century been regarded as necessary for the public interests. Other decrees have served to clear up doubts arising in the interpretation of customs tariffs, and have simplified the manner of drafting manifests, as well as the customs regulations for the entry and clearance of vessels. Still other decrees have been promulgated for the settlement of minor difficulties which had arisen under the present laws.

A remarkable feature of the provisional administration has been the satisfaction and content with which its acts have been received by the Cuban people, and the cordiality existing between the American government officials and all political parties, as well as the commercial and industrial bodies of Cuba. This state of public sentiment is all the more gratifying in view of the previous bitterness between the political parties, and of the difficulties and embarrassments with which the provisional administration has had to contend by reason of long periods of drought, labor strikes, and business depression, which have affected the agricultural and commercial interests. All classes have perfect confidence in the American government, and realize that their welfare is the object of constant solicitude and effort.

#### **Preparation for Restoration of Cuban Government.**

In the meantime, the work of preparation for the return of the government to the Cubans has gone on as rapidly as circumstances would permit. Soon after the advisory commission began to consider the electoral law the opinion was expressed in the commission, as well as in the public press, that a census of the Island should be taken in order to secure a reliable basis for the electoral lists, and that the local elections be held before the national elections in order that they might serve as a test of the electoral law. Secretary Taft again visited Cuba in April, 1907, and among other matters which received his attention was that deciding upon the fate of the forthcoming elections. As a result of his conference with the national committees of the various political parties, and with other representative bodies, he announced that a census of the Island

ould be taken in as short a time as was consistent with making it thorough, fair, and complete for electoral purposes, at the municipal and provincial elections would be held as soon as practicable after the termination of the census, that within six months after these local elections the national elections would be held, and that as soon as the president and senators were designated by the presidential and senatorial electoral colleges the government would be devolved upon Cubans. On January 14th of this year, President Roosevelt, transmitting to Congress the report of the Provisional Governor for 1906-07, ordered that the provisional administration should not later than February 1, 1909. In pursuance of the plan laid out by Secretary Taft, a careful census of the Island has been taken under the direction of an official of the United States Census Department. The election boards provided for by the new electoral law have been constituted, and it is expected to hold the local elections in July of this year, and the national election in the fall; whereupon, in compliance with President Roosevelt's order, the government of the Island will devolve upon the officials designated as a result of such election, not later than February 1, 1909.

The empire that shifted from the Mediterranean will in the lifetime of those now children bid fair to shift once more westward to the Pacific.—President Roosevelt at San Francisco, Cal., May 13, 1903.

The contention that we are not a nation with power to govern a conquered or purchased territory, robs us of a faculty most important for good to every sovereignty.—Hon. Wm. H. Taft, at Cleveland, Ohio.

It is no longer a question of expansion with us; we have expanded. If there is any question at all it is a question of contraction; and who is going to contract?—President McKinley at Iowa Falls, Iowa, Oct. 16, 1899.

It is a good lesson for nations and individuals to learn never to hit if it can be helped, and then never to hit softly. I think it is getting to be fairly understood that that is our foreign policy.—President Roosevelt at San Francisco, Cal., May 13, 1903.

The policy of expansion is what distinguishes the administration of McKinley and adds another to the list of patriotic victories of the Republican party. By this policy the United States has become a world power.—Hon. Wm. H. Taft, at Kansas City, Mo.

The construction of the canal is now an assured fact; but most certainly it is unwise to intrust the carrying out of so momentous a policy to those who have endeavored to defeat the whole undertaking.—President Roosevelt's speech accepting 1904 nomination.

The guns that thundered off Manila and Santiago left us echoes of glory, but they also left us a legacy of duty. If we drove out a mediæval tyranny only to make room for savage anarchy, we had better not have begun the task at all.—President Roosevelt in *The Strenuous Life*, p. 11.

When we legislate for Alaska we are acting within the clearly granted authority of the Constitution, and when we legislate for the Philippines we are likewise within the scope and plain purpose of the Constitution.—Hon. C. W. Fairbanks, in U. S. Senate, February 22, 1902.

For years the commerce of the world has demanded an isthmian canal, and recent events give us the assurance that this vast undertaking will be accomplished at an early day under the protection of the American flag.—Hon. C. W. Fairbanks, at St. Paul, Minn., August 31, 1903.

We are the trustees and guardians of the whole Filipino people, and peculiarly of the ignorant masses, and our trust is not discharged until those masses are given education sufficient to know their civil rights and maintain them against a more powerful class and safely to exercise the political franchise.—Hon. Wm. H. Taft, in special report to the President.

One vital, dominating fact confronts the Democratic party which no oratory, which no eloquence, which no rhetoric can obscure; BRYAN'S NOMINATION MEANS TAFT'S ELECTION.—New York World.

## MERCHANT MARINE.

During the past twelve years of Republican control American ship-building has made steady growth in tonnage and improvement in design. The closing fiscal year of President Roosevelt's administration is the banner ship-building year in American history. Up to June 30, 1908, the output was 590,231 gross tons (the highest record in any earlier year was 583,450 gross tons), and the few remaining days of the fiscal year will bring the aggregate up to 600,000 tons. Of this large output, however, no vessels were built exclusively for the foreign trade. Were it not for the coasting trade policy, which reserves to American vessels exclusively the transportation of freight and passengers between American ports, doubtless domestic shipyards would have almost entirely disappeared from our seaboard, and even our war vessels would have been built abroad, or if at home, at an enormous increase in cost. Every industrial factor and every act of Congress which tends to promote shipbuilding for mercantile purposes at the same time renders the United States more capable of producing its own war vessels, and such legislation accordingly contributes to national defense. For this reason, if for no other, the Republican policy of promoting ship-building at home is entitled to the support of every patriotic citizen.

The following table shows the total merchant tonnage (gross register tons) under the American flag, divided according to the trade in which engaged, on June 30 of each year named, and also the gain or loss for each period of four fiscal years, covering the four latest national administrations:

*Total American merchant shipping.*

On June 30—	Foreign trade.	Coasting trade.	Sea fisheries.	Total.
1892 .....	977,624	3,700,773	36,524	4,764,921
1896 .....	829,833	3,790,296	33,751	4,708,880
1900 .....	816,795	4,236,516	61,528	5,164,839
1904 .....	833,623	5,335,184	67,743	6,231,550
1907 .....	861,446	6,010,658	66,670	6,938,774

*Gain or loss in four years.*

	Foreign trade.	Coasting trade.	Sea fisheries.	Total.
1893-1896 .....	-147,791	89,528	- 2,773	-61,041
1897-1900 .....	- 13,038	496,220	-22,223	460,959
1901-1904 .....	71,833	1,048,648	6,215	1,226,696
1905-1907* .....	- 27,132	675,494	- 1,073	647,289

\*Gain or loss in three years. The returns for June 30, 1908, not yet completed, will show a total increase during the four years of over 1,100,000 gross tons.

American tonnage built during recent periods of four fiscal years, beginning June 30th:

	Gross register tons.
1893-1896, inclusive .....	681,532
1897-1900, inclusive .....	1,106,518
1901-1904, inclusive .....	1,767,014
1905-1908, inclusive .....	1,811,624

In 1896 the production of steel vessels in the United States amounted to only 96,331 gross tons; by 1908 it had increased to 425,000 gross tons. Two-thirds of the merchant tonnage of all



types under the American flag on the sea, on the lakes and the rivers of the United States were built during the administrations of Presidents McKinley and Roosevelt. In 1906 115,500 men employed on American steam vessels, valued at \$386,773,000, were paid \$61,265,000 in wages.

In 1905 50,750 workmen in American shipyards were paid \$29,241,000 in wages.

#### Legislation for Seamen.

The Republican Party in control of Congress and the executive departments has steadily endeavored to improve the conditions of American labor at sea as well as American labor on the land. At the late session Congress, by the act of April 2, 1908, for the first time provided for Government determination of the numbers of the crew of every steam vessel, passenger or freight, thereby providing also for the fixing of hours of labor. It also passed an act for the regulation of seagoing barges, the most dangerous form of navigation on our coasts, and thus both gave better protection to the crews on such vessels and at the same time took steps to reduce a serious menace to navigation along our coasts.

More rigid inspections at home and abroad of the seaworthiness of vessels have been prescribed by Congress and the Administration. As long ago as 1898 a compulsory scale of provisions for seamen on American vessels was fixed by law very much superior in the quantity and quality of the food furnished to seamen on other vessels. Indeed, the standard of living on American ships thus provided has already led other nations to legislate in the same direction, thus improving the conditions of labor at sea generally. The same act of December 21, 1898, provided for the prompter payment of wages, already much higher on American than on foreign ships, and for the return of wrecked, sick or injured American seamen from abroad, or from Alaska, Porto Rico, Hawaii, the Philippines and the Canal Zone, at the expense of the Federal Government. Forecastle quarters on American ships are now equal to any on foreign ships and superior to most. Warm rooms are provided in cold weather.

The penalty of imprisonment for the seaman's breach of a civil contract has been abolished and all forms of corporal punishment prohibited by heavy penalties. Prompt trials of cases in which a seaman is a party are now required by law.

Legislative enactment and administrative effort have been directed successfully against the crimping system by which seamen have been cheated of their wages. Abuses under the system of allotment of wages have been reduced to a minimum, and "shanghaiing" on American vessels has practically ceased since the acts of 1906 and 1907. Under these several acts the Federal courts have inflicted heavy penalties on those engaged in defrauding seamen. Of the act of 1898 the Supreme Court has said:

"The story of the wrongs done to sailors in the larger ports, not merely of this nation but of the world, is an oft-told tale, and many have been the efforts to protect them against such wrongs. One of the most common means of doing these wrongs is the advancement of wages. Bad men lure them into haunts of vice, advance a little money to continue their dissipation, and having thus acquired a partial control and by liquor dulled their faculties, place them on board the vessel just ready to sail and most ready to return the advances. When once on shipboard and the ship at sea, the sailor is powerless and no relief is availing. It was in order to stop this evil, to protect the sailor, and not to restrict him of his liberty, that this statute was passed. And while in some cases it may operate harshly, no one can doubt that the best interests of the seaman as a class are preserved by such legislation."

The wages of seamen on American vessels are much higher than on foreign vessels. Thus the average monthly wages paid at Bremen, the great German seaport, are \$16, and at Liverpool \$18 for seamen and \$20 for firemen. At New York seamen on American vessels are paid \$25 and firemen \$35 to \$40. American engineers and mates are paid double the corresponding British wages. The American S. S. "St. Louis" (11,629 gross tons) has a monthly pay roll of \$11,300 for 380 men; the British S. S. "Oceanic" (17,274 gross tons) pays \$9,891 to 427 men, and the German S. S. "Kaiser Wilhelm der Grosse" (14,349 gross tons)

pays monthly only \$7,715 to 500 men. Thus indirectly the American system, which contributes toward higher wages in American industries on shore, causes also higher wages on ship board.

#### The Shipping Question.

In volume, merchant shipping under the American flag is surpassed only by merchant shipping under the British flag. In its types and uses, however, our shipping differs radically from the shipping of other maritime nations. It is almost wholly devoted to domestic transportation, and relatively is far below our strength as a naval power.

By comparison with our rank in any other of the great divisions of industrial and commercial endeavor, the position of the United States as an ocean-carrying power is insignificant. It is humble by comparison with the commercial sea power of other leading nations, with which in nearly every other respect we are classed. Even in the discharge of ordinary functions of government we have put ourselves under the protection of foreign flags. Over a year ago it became necessary to dispatch a small force of American troops to Cuba; they were sent under the British flag. Not one American steamship of any kind now runs to Brazil, or Argentina, or Chile, or Peru. An American mail service to those southern countries is absolutely nonexistent. Not one American steamship now runs from either our Atlantic or our Pacific coast to Australasia.

In the performance of its plain duties the Federal Government has to resort to foreign agencies and foreign protection. There is not to-day another first-class power in a similar position. There is not another which, if it found itself in that position, would allow such conditions to continue longer than until by sufficient expenditure they could be corrected in the shortest possible time. Such expenditures would be as clearly for public purposes as appropriations for the Army, the Navy, the Panama Canal, or the postal system.

From the messages of their Presidents and the reports of their heads of Departments for many years past the American people have become familiar with the trifling share of American vessels in our own foreign carrying trade and with the fact that an American steamship is almost never seen in the world's seaports outside of the Caribbean and the Gulf of Mexico. Last year, for example, only 10.6 per cent. of our combined exports and imports were carried in American ships; our vessels registered for foreign trade aggregated only 871,146 gross tons, a fleet equaled in tonnage and greatly exceeded in efficiency by the fleet of one foreign shipping corporation, while any one of several foreign corporations owns more ocean-going steam tonnage than the entire amount of such tonnage registered under the American flag.

#### McKinley, Roosevelt, and Taft on Shipping.

The best means of restoring the American merchant marine to its former prominence in foreign trade has been the subject of careful investigation by the leading men of the Republican party during the past twelve years. In his annual message of December 3, 1900, President McKinley said:

Foreign ships should carry the least, not the greatest part of American trade. The remarkable growth of the steel industries, the progress of shipbuilding for the domestic trade, and our steadily maintained expenditures for the Navy have created an opportunity to place the United States in the first rank of commercial maritime powers.

Besides realizing a proper national aspiration this will mean the establishment and a healthy growth along all our coasts of a distinctive national industry, expanding the field for the profitable employment of labor and capital. It will increase the transportation facilities and reduce freight charges on the vast volume of products brought from the interior to the seaboard for export, and will strengthen an arm of the national defense upon which the founders of the Government and their successors have relied.

Every constructive measure on the subject brought before Congress has been Republican in origin and principle, and has encountered unbroken Democratic obstruction, save in one instance when a Democratic Senator and two Democratic Representatives patriotically joined with the majority. It is thus a

moral certainty that, as in most other matters, no constructive legislation to advance our maritime interests is to be expected from a Democratic administration or a Democratic House of Representatives.

In his first annual report as Secretary of Commerce and Labor, in 1903, Secretary Cortelyou recommended the appointment of a Merchant Marine Commission, and President Roosevelt in his message to Congress the same year strongly urged the appointment of such a Commission. Accordingly, Congress, in the early part of 1904, created a Merchant Marine Commission of five Senators and five Representatives, who made an exhaustive investigation into shipping. As a result of this investigation after favorable action in the Senate the Republican majority in the House also passed on March 1, 1907, a bill providing for increased American ocean mail facilities which incidentally would have benefited American shipbuilding with its almost infinite subsidiary interests, would have improved our means of ocean transportation, and would have developed a merchant fleet auxiliary to the Navy. By the usual Democratic tactics this bill was filibustered to death on March 3 and 4, 1907, in the Senate by two Democratic Senators who had been recently rejected by their own States.

At the session of Congress just closed the Senate passed a bill to improve our mail service with South America, the Philippines, Asia and Australia in exact accord with the recommendation and argument in President Roosevelt's message of December 3, 1907. That bill is now pending in the House Committee on Post-Offices and Post-Roads and will be considered at the next session of Congress. The bill was also passed by the Senate as part of the Post-Office Appropriation bill, but in this shape lacked eight votes of approval by the House. President Roosevelt's recommendation and argument of December 3, 1907, follows:

The time has come, in my judgment, to set to work seriously to make our ocean mail service correspond more closely with our recent commercial and political development. A beginning was made by the ocean mail act of March 31, 1891, but even at that time the act was known to be inadequate in various particulars. Since that time events have moved rapidly in our history. We have acquired Hawaii, the Philippines, and lesser islands in the Pacific. We are steadily prosecuting the great work of uniting at the Isthmus the waters of the Atlantic and the Pacific. To a greater extent than seemed probable even a dozen years ago, we may look to an American future on the sea worthy of the traditions of the past. As the first step in that direction, and the step most feasible at the present time, I recommend the extension of the ocean mail act of 1891. That act has stood for some years free from successful criticism of its principle and purpose. It was based on theories of the obligations of a great maritime nation, undisputed in our own land and followed by other nations since the beginning of steam navigation. Briefly those theories are, that it is the duty of a first-class power so far as practicable, to carry its ocean mails under its own flag; that the fast ocean steamships and their crews, required for such mail service, are valuable auxiliaries to the sea power of a nation. Furthermore, the construction of such steamships insures the maintenance in an efficient condition of the shipyards in which our battleships must be built.

The expenditure of public money for the performance of such necessary functions of government is certainly warranted, nor is it necessary to dwell upon the incidental benefits of our foreign commerce, to the shipbuilding industry, and to ship owning and navigation which will accompany the discharge of these urgent public duties, though they, too, should have weight.

In an address before the Chamber of Commerce of Trenton, New Jersey, on March 23, 1908, Secretary Taft said:

I cannot understand any difference in principle between government assistance to our merchant marine and our protective tariff system, our system of improvement of internal waterways, or any other method by which the general welfare is promoted through the government's assistance of particular industries, in which all may engage. Let us hope that the mail subsidy bill will lead to the establishment of direct lines between New York and South America on the one hand, and between the Pacific Coast, Japan, China and the Philippines on the other, and that it may be the means of pointing out how a wider system of maintenance of the marine may be inaugurated in the public interest.

We are expending from \$200,000,000 to \$250,000,000 to build a canal across the Isthmus of Panama. Can it be that this canal is to be built solely for vessels of other countries than the United States? Is it true that the flag of the United States will fly over but few merchantmen passing through this great conquest of nature? The work on the canal is going on. The dirt is flying at the rate now of upward of two and one-half million cubic yards a month. We have every hope that six years from next July our battle fleet may be able to ascend through the locks to the new-made lake and to descend on the other side through the locks to the sea. Ought we not in the six years which lie between the present and the completion of the canal to adopt a policy which shall give us a merchant marine to justify our expending this enormous sum of money on commercial as well as naval and war strategic grounds?

## Trade with South America.

Secretary Root, after his visit to South America and Mexico, which opened a new era of Pan-American comity, bringing us in closer touch with our sister American Republics, said at the Trans-Mississippi Commercial Congress at Kansas City, on November 20, 1906:

It is absolutely essential that the means of communication between North and South America should be improved and increased.

This underlies all other considerations and it applies both to the mail, the passenger, and the freight services. Between all the principal South American ports and England, Germany, France, Spain, Italy, lines of swift and commodious steamers ply regularly. There are five subsidized first-class mail and passenger lines plying between Buenos Ayres and Europe; there is no such line between Buenos Ayres and the United States. No American steamships run to any South American port beyond the Caribbean.

The mails between South America and Europe are swift, regular, and certain; between South America and the United States they are slow, irregular, and uncertain. Six weeks is not an uncommon time for a letter to take between Buenos Ayres or Valparaiso and New York. The merchant who wishes to order American goods cannot know when his order will be received or when it will be filled. The freight charges between the South American cities and American cities are generally and substantially higher than between the same cities and Europe. At many points the delivery of freight is uncertain and its condition upon arrival doubtful. The passenger accommodations are such as to make a journey to the United States a trial to be endured, and a journey to Europe a pleasure to be enjoyed. The best way to travel between the United States and both the west and the east coast of South America is to go by way of Europe, crossing the Atlantic twice. It is impossible that trade should prosper or intercourse increase or mutual knowledge grow to any great degree under such circumstances.

We are a nation of maritime traditions and facility; we are a nation of constructive capacity, competent to build ships; we are eminent if not pre-eminent, in the construction of machinery; we have abundant capital seeking investment; we have courage and enterprise shrinking from no competition in any field which we choose to enter. Why, then, have we retired from this field in which we were once conspicuously successful?

I think the answer is twofold:

1. The higher wages and the greater cost of maintenance of American officers and crews make it impossible to compete on equal terms with foreign ships. The scale of living and the scale of pay of American sailors are fixed by the standard of wages and of living in the United States, and those are maintained at a high level by the protective tariff. The moment the American passes the limits of his country and engages in ocean transportation he comes into competition with the lower foreign scale of wages and living.

2. The principal maritime nations of the world, anxious to develop their trade, to promote their shipbuilding industry, to have at hand transports and auxiliary cruisers in case of war, are fostering their steamship lines by the payment of subsidies. England is paying to her steamship lines between six and seven million dollars a year. It is estimated that since 1840 she has paid to them between two hundred and fifty and three hundred millions. The enormous development of her commerce, her preponderant share of the carrying trade of the world, and her shipyards crowded with construction orders from every part of the earth indicate the success of her policy.

Against these advantages to his competitor the American shipowner has to contend; and it is manifest that the subsidized ship can afford to carry freight at cost for a long period to drive him out of business.

Plainly these disadvantages created by governmental action can be neutralized only by governmental action, and should be neutralized by such action.

What action ought our Government take for the accomplishment of this just purpose? Three kinds of action have been advocated:

1. A law providing for free ships—that is, permitting Americans to buy ships in other countries and bring them under the American flag.

2. It has been proposed to establish a discriminating tariff duty in favor of goods imported in American ships—that is to say, to impose higher duties upon goods imported in foreign ships than are imposed on goods imported in American ships. We tried that once many years ago and have abandoned it. In its place we have entered into treaties of commerce and navigation with the principal countries of the world, expressly agreeing that no such discrimination shall be made between their vessels and ours. To sweep away all those treaties and enter upon a war of commercial retaliation and reprisal for the sake of accomplishing indirectly what can be done directly should not be seriously considered.

3. There remains the third and obvious method—of neutralizing the artificial disadvantages imposed upon American shipping through the action of our own Government and foreign governments by an equivalent advantage in the form of subsidy or subvention. In my opinion this is what should be done; it is the sensible and fair thing to do. It is what must be done if we would have a revival of our shipping and the desired development of our foreign trade. We cannot repeal the protective tariff; no political party dreams of repealing it; we do not wish to lower the standard of American living or American wages. We should give back to the shipowner what we take away from him for the purpose of maintaining that standard; and unless we do give it back we shall continue to go without ships.

Such subventions should not be gifts. They would be at once compensation for injuries inflicted upon American shipping by American laws and the consideration for benefits received by the whole American people—not the shippers or the shipbuilders or the sailors alone, but by every manufacturer, every miner, every farmer, every merchant whose prosperity depends upon a market for his products.



**Foreign Steamship Trusts.**

The trust question has been uppermost in the minds of the American people during the past few years. An American trust can be dealt with through the instrumentality of American laws, but a foreign trust is beyond our reach. That the commerce of South America is dominated by a foreign steamship trust is well known—a trust that can give rebates at pleasure, and that can and does lower and increase prices according to circumstances. So far as steamships are concerned this important American trade is now, and for several years has been, monopolized by a foreign shipping trust or combination, whose weapons are rebates, discriminations, and boycotting, and whose policies are dictated from Liverpool and Hamburg.

Mr. Anderson, the present consul-general at Rio de Janeiro, says of the foreign steamship combination:

Merchants complain that the high freight rates obtaining on goods from the United States to Brazil generally continue to act as a deterrent to trade in general. The conference rates (the conference is the European steamship trust) on goods from the United States to this part of South America are nearly twice as high as freight rates from Asiatic ports to the United States.

Ambassador Griscom, at Rio de Janeiro, said in a report of October 1, 1906:

The English company of Lamport & Holt have been running a monthly service (between Rio and New York) with a practical monopoly, and without competition the freights have been prohibitive. It is hoped that we are entering upon a new era, more favorable to merchants who may desire to reach out for trade with Brazil. The crying need of our relations with Brazil is better steamship communication. Inquiry among our leading financiers and merchants indicates that encouragement by our National Government in the form of a small postal or other subvention would quickly bring about the establishment of a good line of American steamers between New York and Rio. Given a few facilities our trade with Brazil must inevitably go ahead with leaps and bounds.

Consul-General Anderson has this to say on the subject:

High freight rates shut American exporters out of markets which otherwise they might have. Low freight rates, for instance, would enable American millers to ship American flour to ports in Brazil far south of their present limit. Freight rates from New York to Brazil similar to those obtaining between New York and the Far East would mean largely increased sales of American flour. What is true of flour is true of other things. The rebate system adopted by the shipping combine also works directly and materially against small shippers, among the latter being most American exporters selling to the Brazilian trade.

One or more strong American steamship lines, sufficiently compensated by the Government for the carriage of our mails, will effectually thwart the schemes of this now all-powerful foreign steamship trust, and secure competition in the trade with South America.

**Pending Republican Propositions.**

Briefly stated, the Republican shipping project now before Congress is based on these considerations:

(a) Profits of ocean mail service to be devoted to the improvement of that service.

(b) Improvements to be made where most needed.

(c) Expenses for the whole ocean mail service not to exceed receipts in any one year.

(d) American mail steamships to be employed if possible in extending and improving the service.

(e) Export trade to be extended.

(f) Facilities for buyers and sellers to make the voyage comfortably between the United States, South America, and Australia.

(g) Shipbuilding to be encouraged.

(h) Auxiliary naval strength to be increased.

With an initial cost of less than \$1,500,000 the project contemplates with 27 fast steamships (involving an expenditure by shipowners in American shipyards of over \$30,000,000 for American labor and its products) a fortnightly service to Rio de Janeiro and to Buenos Ayres; to Manila over two routes across the Pacific, one via Hawaii, one direct, and a service once in three weeks from the Pacific coast to Australasia, the approximate length of each route outward and the compensation to be paid for, twenty-six voyages in a year (or to Australasia eighteen voyages, as follows:

	Nauti- cal mile-.	Yearly compen- sation.	Number of ships
Atlantic or Gulf coast to Rio de Janeiro.....	5,000	\$598,000	1
Atlantic or Gulf coast to Buenos Ayres.....	6,000	717,600	1
Pacific coast via Hawaii to Japan, China, and the Philippines.....	7,800	932,880	1
Pacific coast direct to Japan, China, and the Philippines.....	6,500	777,400	1
Pacific coast via Hawaii to Australasia.....	7,300	601,440	1
Total.....		3,630,320	5

This estimate is for the maximum amounts which could be paid in any instance. The actual bids of steamship companies might be for smaller amounts and would be sure to be for smaller amounts if there were several bidders. Moreover, the Postmaster-General in his discretion might decline to pay more than \$3 per mile if he believed that this rate was sufficient compensation to secure a service.

#### Foreign Subsidies.

Other nations for military, mail, and commercial purposes deem it important to promote their national shipping in foreign trade by national assistance. The annual grants for these purposes at the present time by the principal nations are substantially as follows:

#### Subsidies to shipping.

Country.	Mail.	General.	Total.
Austria-Hungary.....	\$1,288,201	\$956,270	\$1,944,471
Denmark.....	82,455		82,455
France.....	5,019,708	3,623,720	8,643,428
Germany.....	1,825,651		1,825,651
Great Britain.....	5,204,068	1,312,200	6,516,268
Italy.....	1,757,812	1,061,639	2,819,451
Japan.....	3,417,042	2,718,465	6,135,507
Netherlands.....	367,468		367,468
Norway.....	48,338	116,018	164,356
Portugal.....	63,300		63,300
Russia.....		1,595,701	1,595,701
Spain.....	1,629,927		1,629,927
Sweden.....	81,849		81,849
Total.....	20,785,814	11,081,013	31,866,827

#### Subsidies and payments for the ocean mail service of Great Britain and the United States from 1870 to 1907.

[Compiled from official sources.]

Year.	Great Britain.	United States.		
		Mail payments.		Total amount paid.
		To American steamers.	To foreign steamers.	
1870.....	\$6,107,761	\$791,383	\$315,944	\$1,115,333
1875.....	4,960,000	740,361	236,283	976,644
1880.....	3,873,136	38,780	161,029	199,809
1885.....	3,612,065	49,048	282,855	331,903
1886.....	3,662,805	43,319	286,319	329,391
1887.....	3,625,915	76,727	335,946	412,673
1888.....	3,490,884	83,890	376,528	460,418
1889.....	3,184,425	109,828	505,573	615,401
1890.....	3,827,260	120,170	420,507	540,677
1891.....	4,142,139	147,561	443,204	590,765
1892.....	4,277,972	251,788	478,748.95	728,537.51
1893.....	4,328,501	646,031	495,630.87	1,141,662.69
1894.....	4,442,361	711,443	461,956.87	1,173,400.80
1895.....	4,574,805	633,035	429,856.67	1,062,892.56
1896.....	4,450,317	1,027,735	394,636.60	1,422,372.50
1897.....	4,516,583	1,248,674	392,670.18	1,641,344.40
1898.....	4,716,397	1,038,141	487,882.06	1,478,023.21
1899.....	4,801,028	998,211	487,038.24	1,485,250.09
1900.....	4,743,000	1,269,660	518,954	1,788,614
1901.....	4,371,000	1,250,381	575,666	1,826,047
1902.....	4,017,000	1,525,313	556,195	2,081,508
1903.....	5,536,612	1,611,794	567,940	2,209,735
1904.....	5,170,323.50	1,587,108.75	650,268.15	2,237,376.90
1905.....	5,095,076.21	1,651,867.81	913,413.07	2,555,250.88
1906.....	4,542,978.75	1,767,294.88	1,028,603.15	2,795,898.88
1907.....	4,475,067.64	1,504,372.83	1,204,424.28	2,708,796.11

The figures above for British mail and admiralty subsidies for the year 1907 do not include the new admiralty subsidy of \$729,000 a year which is now being paid to the Cunard Company under a 20-year contract by which the British Government advanced \$13,000,000 to the company at 2½ per cent interest, in fact giving to that company the two finest ships ever constructed in England, the "Lusitania" and the "Mauretania," if the company would operate them to carry the mails and hold them in reserve for military purposes, each steamer capable of carrying 10,000 soldiers armed and equipped.

Neither do these figures include the sum of approximately \$1,250,000 which England has spent annually for some years upon picked sailors on her merchant vessels to train them for service on her battleships should occasion arise and to retain them for the purpose.

*Value of foreign carrying trade of the United States in American and foreign vessels, etc.—Total United States imports and Exports.*

[From the Statistical Abstract.]

Year ending June 30.	By sea.			Per cent in American vessels.	By land vehicle.	Total by land and sea.
	In American vessels.	In foreign vessels.	Total.			
	Dollars.	Dollars.	Dollars.		Dollars.	Dollars.
1860..	507,217,757	255,040,793	762,258,550	66.5	762,258,550	762,258,550
1861..	381,516,788	203,478,278	584,995,066	65.2	584,995,066	584,995,066
1862..	217,695,418	218,015,296	435,710,714	50.	435,710,714	435,710,714
1863..	241,872,471	343,063,031	584,925,502	41.4	584,925,502	584,925,502
1864..	184,061,486	485,793,548	669,855,034	27.5	669,855,034	669,855,034
1865..	167,402,872	437,010,124	604,412,996	27.7	604,412,996	604,412,996
1866..	325,711,861	635,226,831	1,010,938,562	32.2	1,010,938,562	1,010,938,562
1867..	297,534,904	581,330,403	879,165,307	33.9	879,165,307	879,165,307
1868..	297,981,573	550,981,074	848,527,647	35.1	848,527,647	848,527,647
1869..	280,956,772	586,492,012	867,448,784	33.2	867,448,784	867,448,784
1870..	352,969,401	638,927,188	991,896,589	35.6	991,896,589	991,896,589
1871..	353,664,172	755,822,576	1,109,486,748	31.9	1,109,486,748	1,109,486,748
1872..	345,331,101	839,246,362	1,184,577,463	29.2	1,184,577,463	1,184,577,463
1873..	316,306,502	966,722,651	1,313,029,243	26.4	1,313,029,243	1,313,029,243
1874..	350,451,091	939,206,106	1,289,657,197	27.2	1,289,657,197	1,289,657,197
1875..	314,257,792	884,788,517	1,199,046,309	26.2	1,199,046,309	1,199,046,309
1876..	311,076,171	813,351,967	1,124,428,138	27.7	1,124,428,138	1,124,428,138
1877..	316,660,281	859,920,536	1,176,580,817	26.9	1,176,580,817	1,176,580,817
1878..	313,050,906	876,991,129	1,190,042,035	26.3	1,190,042,035	1,190,042,035
1879..	272,015,692	911,269,232	1,183,284,924	23.	1,183,284,924	1,183,284,924
1880..	258,346,577	1,224,261,431	1,482,608,008	17.4	1,482,608,008	1,482,608,008
1881..	250,586,470	1,269,002,983	1,519,589,453	16.5	1,519,589,453	1,519,589,453
1882..	227,229,745	1,212,978,769	1,440,208,514	15.8	1,440,208,514	1,440,208,514
1883..	240,420,500	1,258,506,924	1,498,927,424	16.	1,498,927,424	1,498,927,424
1884..	233,609,035	1,127,798,190	1,361,407,225	17.2	1,361,407,225	1,361,407,225
1885..	194,865,713	1,079,518,563	1,274,384,276	15.3	1,274,384,276	1,274,384,276
1886..	197,349,503	1,073,911,113	1,271,260,616	15.5	1,271,260,616	1,271,260,616
1887..	194,356,746	1,185,194,508	1,379,551,254	14.3	1,379,551,254	1,379,551,254
1888..	190,857,473	1,174,697,821	1,365,555,294	14.	1,365,555,294	1,365,555,294
1889..	203,805,108	1,217,063,511	1,420,868,619	14.3	1,420,868,619	1,420,868,619
1890..	202,451,086	1,371,116,744	1,573,567,830	12.9	1,573,567,830	1,573,567,830
1891..	206,459,725	1,450,081,087	1,656,540,812	12.5	1,656,540,812	1,656,540,812
1892..	220,173,735	1,534,559,651	1,754,733,386	12.3	1,754,733,386	1,754,733,386
1893..	197,765,507	1,428,316,568	1,626,082,075	12.2	1,626,082,075	1,626,082,075
1894..	195,268,216	1,273,022,456	1,468,290,672	13.3	1,468,290,672	1,468,290,672
1895..	170,507,196	1,235,806,192	1,406,313,388	11.7	1,406,313,388	1,406,313,388
1896..	187,691,887	1,377,973,521	1,565,665,408	12.	1,565,665,408	1,565,665,408
1897..	187,075,277	1,525,753,766	1,712,829,043	11.	1,712,829,043	1,712,829,043
1898..	161,328,017	1,542,402,479	1,703,730,496	9.3	1,703,730,496	1,703,730,496
1899..	160,612,206	1,646,263,857	1,806,876,063	8.9	1,806,876,063	1,806,876,063
1900..	195,084,192	1,804,444,424	2,000,528,616	9.3	2,000,528,616	2,000,528,616
1901..	177,308,615	1,974,536,796	2,151,845,411	8.2	2,151,845,411	2,151,845,411
1902..	185,819,987	1,919,029,314	2,104,849,301	8.8	2,104,849,301	2,104,849,301
1903..	214,695,032	2,026,106,388	2,240,801,420	9.1	2,240,801,420	2,240,801,420
1904..	229,785,119	2,001,203,514	2,230,988,633	10.3	2,230,988,633	2,230,988,633
1905..	220,607,946	2,103,201,468	2,323,809,414	12.1	2,323,809,414	2,323,809,414
1906..	322,347,205	2,367,697,351	2,690,044,556	12.0	2,690,044,556	2,690,044,556
1907..	318,331,026	2,634,206,291	2,952,537,317	10.6	2,952,537,317	2,952,537,317

A nation like that of the United States, with eighty millions of people, with resources unexampled in the history of the world, with ideals as high as those of any nation, with the earnest desire to spread the principles of liberty and a popular government, cannot maintain a position of isolation with respect to the peoples of the world when fate shall have thrust some of those peoples under our control.

—Hon. Wm. H. Taft, at Cleveland, Ohio.

## Our Future is on the Sea.

[From the speech of the Hon. J. Sloat Fassett, of New York.]

You will remember there are two great American questions put in every proposition:

First. Is it right?

Second. Will it pay?

The great prizes of the future are to be won from the waters, not from the lands. Our political well-being and our social integrity and health are all wrapped up in developing a merchant navy large enough to carry our goods to all the open and opening markets of the world in times of peace, and strong enough, in cooperation with our Army and Navy, to protect our coasts, as well as our commerce, in times of war. This can be done, as matters are at present, only by putting up our subsidies, or putting down our wages and reducing our scale of living, but the scale of living will not go backward; that is too dear a price to pay. If war should come—which God forbid—and if our Navy and our Army should undertake to meet ideal conditions and strike the swiftest possible blow with the greatest possible force, at the greatest possible distance from home, we should find ourselves utterly unable to meet conditions. We could not embark a single Army division of 20,000 men fully armed and fully equipped and prepared for any point, either on the Atlantic or Pacific coast. We could not supply the auxiliary transports and hospital ships and other necessary ships for the Navy alone, to say nothing of supplying ships to carry and provide for troops. We should be reduced in spite of our glorious Navy, to the ridiculous and dangerous, if not the fatal, absurdity of operating our fleet within sight of shore and waiting to receive the attack of the enemy at the enemy's own pleasure and in the enemy's own good way. Our trade rivals subsidize and flourish. We are living on a high plane. We could not and would not reduce the comforts in the lives and homes of our American working people, either at sea or on land, so we must come squarely to the line and give aid, and give it quickly, and give it abundantly in the form of adequate subsidies for services rendered and to be rendered. We must give it not because it will be of advantage to individuals here and there, but in spite of that fact; not because it will increase the revenues of corporations engaged in deep-sea commerce, but in spite of that fact. We must give it in this way, because it is necessary for the well-being of all our citizens; because it enables us in times of peace to obtain security in times of war; we must do it to insure the best interests of our future; we must do it because it will pay to do it and because it is right to do it. We must subsidize because it is the only way; because we must be prepared to meet the call of our manifest destiny; because we cannot shirk the burden put upon us by circumstances, and we must do it quickly—before our ships are all gone, and before our sailors have all disappeared. It is not a question of pride; it is not a question of pleasure; between failure and success, we must choose success; between humiliation and victory, we must choose victory. We must choose to meet our rivals as gloriously on the seas as we have ever met them on the land. To maintain our merchant victories by land we must arrange for merchant victories at sea.

**From First Annual Report of Secretary of Commerce and Labor, Hon. George B. Cortelyou, 1903.**

For years the condition of our shipping in foreign trade has been a matter of concern to public-spirited Americans. It is virtually the only form of commercial and industrial activity in which the country has not recently shown creditable growth. As an industry it holds exceptional relations to Government. From the nature of things, it has been exposed in an unusual degree to foreign competition. These and other considerations make it a fitting subject for our highest statesmanship. Strong appeals in its behalf by our Presidents from the time of General Grant and earnest efforts more recently in Congress have so far brought meager results. Congress has made it the duty of the Department of Commerce and Labor to foster, promote and develop our shipping interests. Commerce and labor, however, are not the only interests concerned in the improvement of our merchant shipping. Recent legislation and administration have aimed to render more effective the militia of the States as an important factor in the national defense. In our past wars the men and ships of the merchant marine were the reserves that put our Navy on a war footing, and under like circumstances they must perform the same service. Government aid to the merchant marine, in its naval features, should conform closely to our general naval policy. The position among nations now occupied by the United States warrants the maintenance of an ocean mail service equal to that of the United Kingdom or of Germany, in order that like those countries we may possess the best possible facilities of communication in our dealings with distant quarters of the world. By the establishment of such service other nations have helped to build up their shipbuilding industries and to strengthen their position on the sea.



**Ocean Mail Receipts and Revenues.**

For some years past the postage collected on our foreign ocean mails has been very much greater than the expenses of our foreign ocean mail service. For the past fiscal year our revenues (postage) from foreign ocean mails were \$6,579,043.48 and expenses \$2,941,816.67, leaving an apparent surplus of \$3,637,226.81. From this surplus something (between \$500,000 and \$600,000) should be deducted for railroad transportation, so that the actual surplus was about \$3,000,000. It is proposed to apply this surplus of ocean mail revenues to the improvement and extension of the ocean mail service in those directions where improvement and extension are most needed.

*Receipts, cost and surplus of our foreign mails.*

Year.	Receipts.	Cost.	Surplus.
1907.....	\$6,579,043.48	\$2,941,816.67	\$3,637,226.81
1906.....	6,008,807.53	2,965,624.21	3,043,183.32
1905.....	4,711,215.03	2,670,798.43	2,040,416.60
1904.....	5,095,389.18	2,519,053.06	2,579,336.12
1903.....	4,991,974.54	2,883,588.80	2,608,385.74
1902.....	3,737,318.57	2,245,625.55	1,491,693.02
1901.....	3,005,323.61	2,062,537.16	942,786.45
1900.....	3,467,139.26	2,014,537.96	1,452,601.30

**Ship Materials Already Free.**

All materials of every kind required for the construction, equipment or repair of vessels built in this country for the foreign trade or for the long-voyage coastwise trade between our Atlantic and Pacific seaports are free of duty under sections 12 and 13 of the free list of the Dingley tariff, as follows:

**Dingley Tariff Free List.**

SEC. 12. That all materials of foreign production which may be necessary for the construction of vessels built in the United States for foreign account and ownership, or for the purpose of being employed in the foreign trade, including the trade between the Atlantic and Pacific ports of the United States, and all such materials necessary for the building of their machinery, and all articles necessary for their outfit and equipment, may be imported in bond under such regulations as the Secretary of the Treasury may prescribe; and upon proof that such materials have been used for such purposes no duties shall be paid thereon. But vessels receiving the benefit of this section shall not be allowed to engage in the coastwise trade of the United States more than two months in any one year, except upon the payment to the United States of the duties of which a rebate is herein allowed: *Provided*, That vessels built in the United States for foreign account and ownership shall not be allowed to engage in the coastwise trade of the United States.

SEC. 13. That all articles of foreign production needed for the repair of American vessels engaged in foreign trade, including the trade between the Atlantic and Pacific ports of the United States, may be withdrawn from bonded warehouses free of duty under such regulations as the Secretary of the Treasury may prescribe.

Under this law not only steel plates and shapes, but articles of equipment so elaborate and costly as ships' compasses, have been imported free of duty for the use of vessels built in this country for the foreign trade and for the coastwise trade between the Atlantic and Pacific.

**Ocean Freight and Fares.**

The total amount expended in ocean freights and fares in trade between the United States and foreign countries, both going and coming, is not a matter of official record. From careful computations made by American and foreign authorities it is estimated, however, that in 1906 the fares paid by passengers to and fro between the United States and foreign countries amounted to \$65,000,000; the cost of transporting the mails, both going and coming, to about \$5,000,000, and freights on cargoes to \$155,000,000, making a grand total of \$225,000,000.

*Number and net and gross tonnage of steam and sailing vessels of over 100 tons, of the several countries of the world, as recorded in Lloyd's Register for 1907-8.*

Flag.	Steam.		Sail.		Total tonnage.
	Num-ber.	Gross tons.	Num-ber.	Net tons.	
British:					
United Kingdom.....	8,292	15,930,368	1,225	1,089,300	16,999,668
Colonies .....	1,219	1,070,771	781	250,229	1,821,000
Total.....	9,511	17,001,139	2,006	1,319,529	18,820,668
American (United States):					
Sea .....	1,029	1,508,059	1,905	1,225,652	2,728,711
Lake .....	465	1,618,718	47	119,045	1,787,763
Philippine Islands.....	83	39,118	29	6,836	45,454
Total.....	1,577	3,166,895	1,981	1,351,033	4,511,928
Argentine .....	169	105,916	74	27,155	133,071
Austro-Hungarian .....	312	677,221	14	11,398	688,619
Belgian .....	131	191,597	2	1,118	192,715
Brazilian .....	283	191,088	78	19,597	210,685
Chilean .....	87	107,727	68	48,589	156,316
Danish .....	501	650,955	358	77,635	728,590
Dutch .....	455	776,855	92	36,772	813,627
French .....	900	1,281,868	674	477,415	1,761,732
German .....	1,713	3,705,700	381	404,362	4,110,562
Greek .....	255	421,743	156	44,789	466,532
Italian .....	397	823,325	710	396,084	1,219,409
Japanese .....	829	1,068,747	6	3,219	1,071,673
Norwegian .....	1,181	1,264,002	990	654,529	1,918,531
Portuguese .....	65	62,675	133	36,363	101,038
Russian .....	687	720,198	678	217,713	967,911
Spanish .....	468	673,301	110	35,448	708,749
Swedish .....	881	686,517	649	191,031	877,548
Turkish .....	132	106,920	170	58,092	168,021
Other countries .....	275	288,913	148	54,825	343,738
Total.....	20,746	33,969,811	9,457	5,469,106	39,438,917

*Condition of American merchant marine 1880 to 1907.*

Year.	American vessels.				Regis-tered ton-nage of vessels passing through Sault Ste Marie Canal.
	Built	Engaged in foreign trade.	Engaged in domestic trade.	Engaged in com-merce of Great Lakes.	
	Tons.	Tons.	Tons.	Tons.	Registered tons.
1880.....	157,409	1,352,810	2,715,224	605,102	1,734,890
1885.....	159,056	1,287,908	2,977,936	749,918	3,035,937
1890.....	201,122	946,615	3,477,802	1,063,063	8,454,435
1891.....	369,302	1,005,950	3,678,809	1,154,870	8,400,635
1892.....	199,633	994,676	3,770,245	1,183,582	10,647,203
1893.....	211,639	899,803	3,925,268	1,261,067	8,949,754
1894.....	131,195	916,180	3,767,849	1,227,400	13,110,366
1895.....	111,602	838,186	3,797,774	1,241,459	16,806,781
1896.....	227,096	844,954	3,858,926	1,324,067	17,249,418
1897.....	232,232	805,581	3,963,436	1,410,102	17,619,933
1898.....	180,458	737,709	4,012,029	1,437,500	18,622,754
1899.....	300,038	848,246	4,015,992	1,446,348	21,958,347
1900.....	393,790	826,694	4,338,145	1,565,587	22,315,834
1901.....	483,489	889,129	4,635,089	1,706,294	24,626,976
1902.....	408,833	882,555	4,915,347	1,816,511	31,955,582
1903.....	436,152	838,776	5,198,560	1,902,698	27,736,446
1904.....	378,542	808,768	5,392,767	2,019,208	24,361,138
1905.....	330,316	954,513	5,502,030	2,062,147	36,617,699
1906.....	418,745	939,486	5,735,483	2,234,432	41,098,324
1907.....	471,332	871,146	6,037,618	2,439,741	44,087,974

The problems that seemed to hang over us at the close of the war with Spain have gone far toward solution. We of America have discovered that we, too, possess the supreme governing capacity, capacity not merely to govern ourselves at home, but that great power that in all ages has made the difference between the great and the small nations, the capacity to govern men wherever they were found.—*Elhanan Root at Union League, New York, Feb. 3, 1904.*

## REPUBLICAN NATIONAL PLATFORM OF 1908.

Once more the Republican Party, in National Convention assembled, submits its cause to the people. This great historic organization, that destroyed slavery, preserved the Union, restored credit, expanded the national domain, established a sound financial system, developed the industries and resources of the country, and gave to the nation her seat of honor in the councils of the world, now meets the new problems of government with the same courage and capacity with which it solved the old.

### **Republicanism Under Roosevelt.**

In this greatest era of American advancement the Republican Party has reached its highest service under the leadership of Theodore Roosevelt. His administration is an epoch in American history. In no other period since national sovereignty was won under Washington, or preserved under Lincoln, has there been such mighty progress in those ideals of government which make for justice, equality, and fair dealing among men. The highest aspirations of the American people have found a voice. Their most exalted servant represents the best aims and worthiest purposes of all his countrymen. American manhood has been lifted to a nobler sense of duty and obligation. Conscience and courage in public station and higher standards of right and wrong in private life have become cardinal principles of political faith; capital and labor have been brought into closer relations of confidence and interdependence; and the abuse of wealth, the tyranny of power, and all the evils of privilege and favoritism have been put to scorn by the simple, manly virtues of justice and fair play.

The great accomplishments of President Roosevelt have been, first and foremost, a brave and impartial enforcement of the law; the prosecution of illegal trusts and monopolies; the exposure and punishment of evil-doers in the public service; the more effective regulation of the rates and service of the great transportation lines; the complete overthrow of preferences, rebates, and discriminations; the arbitration of labor disputes; the amelioration of the condition of wage-workers everywhere; the conservation of the natural resources of the country; the forward step in the improvement of the inland waterways, and always the earnest support and defense of every wholesome safeguard which has made more secure the guaranties of life, liberty, and property.

These are the achievements that will make Theodore Roosevelt his place in history, but more than all else the great things he has done will be an inspiration to those who have yet greater things to do. We declare our unfaltering adherence to the policies thus inaugurated, and pledge their continuance under a Republican administration of the Government.

### **Equality of Opportunity.**

Under the guidance of Republican principles the American people have become the richest nation in the world. Our wealth today exceeds that of England and all her colonies, and that of France and Germany combined. When the Republican Party was born the total wealth of the country was \$16,000,000,000. It has leaped to \$110,000,000,000 in a generation, while Great Britain has gathered but \$60,000,000,000 in five hundred years. The United States now owns one-fourth of the world's wealth and makes one-third of all modern manufactured products. In the great necessities of civilization, such as coal, the motive power of all activity; iron, the chief basis of all industry; cotton, the staple foundation of all fabrics; wheat, corn, and all the agricultural products that feed mankind, America's supremacy is un-

disputed. And yet her great natural wealth has been scarcely touched. We have a vast domain of three million square miles, literally bursting with latent treasure, still waiting the magic of capital and industry to be converted to the practical uses of mankind; a country rich in soil and climate, in the unharnessed energy of its rivers, and in all the varied products of the field, the forest, and the factory. With gratitude for God's bounty, with pride in the splendid productiveness of the past, and with confidence in the plenty and prosperity of the future the Republican Party declares for the principle that in the development and enjoyment of wealth so great and blessings so benign there shall be equal opportunity for all.

#### **The Revival of Business.**

Nothing so clearly demonstrates the sound basis upon which our commercial, industrial, and agricultural interests are founded, and the necessity of promoting their continued welfare through the operation of Republican policies, as the recent safe passage of the American people through a financial disturbance which, if appearing in the midst of Democratic rule or the menace of it, might have equaled the familiar Democratic panics of the past. We congratulate the people upon this renewed evidence of American supremacy and hail with confidence the signs now manifest of a complete restoration of business prosperity in all lines of trade, commerce, and manufacturing.

#### **Recent Republican Legislation.**

Since the election of William McKinley in 1906 the people of this country have felt anew the wisdom of intrusting to the Republican Party through decisive majorities the control and direction of national legislation.

The many wise and progressive measures adopted at recent sessions of Congress have demonstrated the patriotic resolve of Republican leadership in the legislative department to keep step in the forward march toward better government.

Notwithstanding the indefensible filibustering of a Democratic minority in the House of Representatives during the last session many wholesome and progressive laws were enacted, and we especially commend the passage of the emergency currency bill, the appointment of the national monetary commission, the employers' and Government liability laws, the measures for the greater efficiency of the Army and Navy, the widows' pension bill, the child labor law for the District of Columbia, the new statute for the safety of railroad engineers and firemen, and many other acts conserving the public welfare.

#### **Republican Pledges for the Future.**

##### ***Tariff.***

The Republican Party declares unequivocally for the revision of the tariff by a special session of Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress which are now investigating the operation and effect of existing schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of maximum and minimum rates to be administered by the President under limitations fixed in the law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets, and the minimum to represent the normal measure of protection at home, the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system. Between the United States and the Philippines we believe in a free interchange of products with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests.



*Currency.*

We approve the emergency measures adopted by the Government during the recent financial disturbance, and especially commend the passage by Congress at the last session of the law designed to protect the country from a repetition of such stringency. The Republican Party is committed to the development of a permanent currency system responding to our great needs, and the appointment of the National Monetary Commission by the present Congress, which will impartially investigate all proposed methods, insures the early realization of this purpose. The present currency laws have fully justified their adoption, but an expanding commerce, a marvelous growth in wealth and population, multiplying the centers of distribution, increasing the demand for the movement of crops in the West and South, and entailing periodic changes in monetary conditions disclose the need of a more elastic and adaptable system. Such a system must meet the requirements of agriculturists, manufacturers, merchants, and business men generally, must be automatic in operation, minimizing the fluctuations in interest rates, and, above all, must be in harmony with that Republican doctrine which insists that every dollar shall be based upon and as good as gold.

*Postal Savings.*

We favor the establishment of a postal savings bank system for the convenience of the people and the encouragement of thrift.

*Trusts.*

The Republican Party passed the Sherman Anti-trust law over Democratic opposition and enforced it after Democratic dereliction. It has been a wholesome instrument for good in the hands of a wise and fearless administration. But experience has shown that its effectiveness can be strengthened and its real objects better attained by such amendments as will give to the Federal Government greater supervision and control over and secure greater publicity in the management of that class of corporations engaged in interstate commerce having power and opportunity to effect monopolies.

*Railroads.*

We approve the enactment of the railroad rate law and the vigorous enforcement by the present administration of the statutes against rebates and discriminations, as a result of which the advantages formerly possessed by the large shipper over the small shipper have substantially disappeared; and in this connection we commend the appropriation by the present Congress to enable the Interstate Commerce Commission to thoroughly investigate and give publicity to the accounts of interstate railroads. We believe, however, that the interstate commerce law should be further amended so as to give railroads the right to make and publish traffic agreements subject to the approval of the Commission, but maintaining always the principle of competition between naturally competing lines and avoiding the common control of such lines by any means whatsoever. We favor such national legislation and supervision as will prevent the future overissue of stocks and bonds by interstate carriers.

*Railroad and Government Employees.*

The enactment in constitutional form at the present session of Congress of the employers' liability law, the passage and enforcement of the safety appliance statutes, as well as the additional protection secured for engineers and firemen, the reduction in the hours of labor of trainmen and railroad telegraphers, the successful exercise of the powers of mediation and arbitration between interstate railroads and their employees, and the law making a beginning in the policy of compensation for injured employees of the Government, are among the most commendable accomplishments of the present administration. But there is further work in this direction yet to be done, and the Republican Party pledges its continued devotion to every cause that makes for safety and the betterment of conditions among those whose labor contributes so much to the progress and welfare of our country.

merchant marine prestige of the country, so essential to national defense, the enlargement of foreign trade, and the industrial prosperity of our own people.

#### *Veterans of the Wars.*

Another Republican policy which must be ever maintained is that of generous provision for those who have fought the country's battles and for the widows and orphans of those who have fallen. We commend the increase in the widows' pensions made by the present Congress, and declare for a liberal administration of all pension laws, to the end that the people's gratitude may grow deeper as the memories of heroic sacrifice grow more sacred with the passing years.

#### *Civil Service.*

We reaffirm our former declaration that the civil service laws, enacted, extended, and enforced by the Republican Party, shall continue to be maintained and obeyed.

#### *Public Health.*

We commend the efforts designed to secure greater efficiency in National public health agencies, and favor such legislation as will effect this purpose.

#### *Bureau of Mines and Mining.*

In the interest of the great mineral industries of our country, we earnestly favor the establishment of a Bureau of Mines and Mining.

#### *Cuba, Porto Rico, Philippines, and Panama.*

The American Government, in Republican hands, has freed Cuba, giving peace and protection to Porto Rico and the Philippines under our flag, and begun the construction of the Panama Canal. The present conditions in Cuba vindicate the wisdom of maintaining between that Republic and this imperishable bonds of mutual interest, and the hope is now expressed that the Cuban people will soon again be ready to assume complete sovereignty over their land.

In Porto Rico the Government of the United States is meeting loyal and patriotic support; order and prosperity prevail, and the well-being of the people is in every respect promoted and conserved.

We believe that the native inhabitants of Porto Rico should be at once collectively made citizens of the United States, and that all others properly qualified under existing laws residing in said island should have the privilege of becoming naturalized.

In the Philippines insurrection has been suppressed, law established, and life and property made secure. Education and practical experience are there advancing the capacity of the people for government, and the policies of McKinley and Roosevelt are leading the inhabitants step by step to an ever-increasing measure of home rule.

Time has justified the selection of the Panama route for the great Isthmian Canal, and events have shown the wisdom of securing authority over the zone through which it is to be built. The work is now progressing with a rapidity far beyond expectation, and already the realization of the hopes of centuries has come within the vision of the near future.

#### *New Mexico and Arizona.*

We favor the immediate admission of the Territories of New Mexico and Arizona as separate States in the Union.

#### *Centenary of the Birth of Lincoln.*

February 12, 1909, will be the one hundredth anniversary of the birth of Abraham Lincoln, an immortal spirit whose fame has brightened with the receding years, and whose name stands among the first of those given to the world by the great Republic. We recommend that this centennial anniversary be celebrated throughout the confines of the nation by all the people thereof, and especially by the public schools, as an exercise to stir the patriotism of the youth of the land.



### Democratic Incapacity for Government.

We call the attention of the American people to the fact that none of the great measures here advocated by the Republican Party could be enacted and none of the steps forward here proposed could be taken under a Democratic administration or under one in which party responsibility is divided. The continuance of present policies, therefore, absolutely requires the continuance in power of that party which believes in them and which possesses the capacity to put them into operation.

### Fundamental Differences Between Democracy and Republicanism.

Beyond all platform declarations there are fundamental differences between the Republican Party and its chief opponent which makes the one worthy and the other unworthy of public trust.

In history the difference between Democracy and Republicanism is that the one stood for debased currency, the other for honest currency; the one for free silver, the other for sound money; the one for free trade, the other for protection; the one for the contraction of American influence, the other for its expansion; the one has been forced to abandon every position taken on the great issues before the people, the other has held and vindicated all.

In experience, the difference between Democracy and Republicanism is that one means adversity, while the other means prosperity; one means low wages, the other means high; one means doubt and debt, the other means confidence and thrift.

In principle, the difference between Democracy and Republicanism is that one stands for vacillation and timidity in government, the other for strength and purpose; one promises, the other performs; one finds fault, the other finds work.

The present tendencies of the two parties are even more marked by inherent differences. The trend of Democracy is toward socialism, while the Republican Party stands for a wise and regulated individualism. Socialism would destroy wealth. Republicanism would prevent its abuse. Socialism would give to each an equal right to take; Republicanism would give to each an equal right to earn. Socialism would offer an equality of possession which would soon leave no one anything to possess; Republicanism would give equality of opportunity which would assure to each his share of a constantly increasing sum of possessions. In line with this tendency the Democratic party of to-day believes in government ownership, while the Republican Party believes in government regulation. Ultimately Democracy would have the nation own the people, while Republicanism would have the people own the nation.

Upon this platform of principles, of purposes, reaffirming our adherence to every Republican doctrine proclaimed since the birth of the party, we go before the country asking the support not only of those who have acted with us heretofore, but of all our fellow-citizens who, regardless of past political differences, unite in the desire to maintain the policies, perpetuate the blessings, and make secure the achievements of a greater America.

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Our free trade friends have told us for years and years that if we do not buy we cannot sell, but we have gone on doing both at a wondrously increasing rate, but selling just enough more than we buy to meet all foreign obligations and keep our gold as a bulwark of redemption. That has been the Republican method, and that is going to continue to be the Republican method.—Hon. James S. Sherman.

We were passing into a regime of an irresponsible plutocracy. During the last four years there has been a great moral awakening to this danger among the people and a popular demand that the lawbreakers—no matter how wealthy or how high or powerful their position—shall be made to suffer. Under the leadership of Theodore Roosevelt the Republican party has not faltered in its determination to meet the requirements of this situation and to enact such legislation as may be necessary to bring to a close this period of illegitimate corporate immunity.—Hon. Wm. H. Taft, at Kansas City, Mo.

## THE DEMOCRATIC NATIONAL PLATFORM OF 1908.

We, the representatives of the Democracy of the United States, in National Convention assembled, reaffirm our belief in, and pledge our loyalty to, the principles of the party.

We rejoice at the increasing signs of an awakening throughout the country. The various investigations have traced graft and political corruption to the representatives of predatory wealth, and laid bare the unscrupulous methods by which they have debauched elections and preyed upon a defenseless public through the subservient officials whom they have raised to place and power.

The conscience of the nation is now aroused to free the Government from the grip of those who have made it a business asset of the favor-seeking corporations. It must become again a people's government, and be administered in all its departments according to the Jeffersonian maxim—"equal rights to all; special privileges to none."

"Shall the people rule?" is the overshadowing issue which manifests itself in all the questions now under discussion.

### **Increase of Office Holders.**

Coincident with the enormous increase in expenditures is a like addition to the number of officeholders. During the past year 23,784 were added, costing \$16,156,000 and in the past six years of Republican administration the total number of new offices created, aside from any commissions, has been 99,319, entailing an additional expenditure of nearly \$70,000,000 as against only 10,279 new offices created under the Cleveland and McKinley administrations, which involved an expenditure of only \$6,000,000. We denounce this great and growing increase in the number of officeholders as not only unnecessary and wasteful but also as clearly indicating a deliberate purpose on the part of the administration to keep the Republican party in power at public expense by thus increasing the number of its retainers and dependents. Such procedure we declare to be no less dangerous and corrupt than the open purchase of votes at the polls.

### **Economy in Administration.**

The Republican Congress in the session just ended made appropriations amounting to \$1,008,000,000, exceeding the total expenditures of the past fiscal year by \$90,000,000 and leaving a deficit of more than \$60,000,000 for the fiscal year just ended. We denounce the heedless waste of the people's money which has resulted in this appalling increase as a shameful violation of all prudent considerations of government and as no less than a crime against the millions of working men and women from whose earnings the great proportion of these colossal sums must be extorted through excessive tariff exactions and other indirect methods. It is not surprising that in the face of this shocking record the Republican platform contains no reference to economical administration or promise thereof in the future. We demand that a stop be put to this frightful extravagance, and insist upon the strictest economy in every department compatible with frugal and efficient administration.

### **Arbitrary Power—The Speaker.**

The House of Representatives was designed by the fathers of the Constitution to be the popular branch of our Government, responsive to the public will.

The House of Representatives, as controlled in recent years by the Republican party has ceased to be a deliberative and legisla-



tive body, responsive to the will of a majority of its members, but has come under the absolute domination of the Speaker, who has entire control of its deliberations and powers of legislation.

We have observed with amazement the popular branch of our Federal Government helpless to obtain either the consideration or enactment of measures desired by a majority of its members.

Legislative control becomes a failure when one member in the person of the Speaker is more powerful than the entire body.

We demand that the House of Representatives shall again become a deliberative body, controlled by a majority of the people's representatives, and not by the Speaker; and we pledge ourselves to adopt such rules and regulations to govern the House of Representatives as will enable a majority of its members to direct its deliberations and control legislation.

#### **Misuse of Patronage.**

We condemn as a violation of the spirit of our institutions the action of the present Chief Executive in using the patronage of his high office to secure the nomination for the Presidency of one of his cabinet officers. A forced succession in the Presidency is scarcely less repugnant to public sentiment than is life tenure in that office. No good intention on the part of the Executive, and no virtue in the one selected, can justify the establishment of a dynasty. The right of the people freely to select their officials is inalienable and can not be delegated.

#### **Publicity of Campaign Contributions.**

We demand Federal legislation forever terminating the partnership which has existed between corporations of the country and the Republican party under the expressed or implied agreement that in return for the contribution of great sums of money wherewith to purchase elections, they should be allowed to continue substantially unmolested in their efforts to encroach upon the rights of the people.

Any reasonable doubt as to the existence of this relation has been forever dispelled by the sworn testimony of witnesses examined in the insurance investigation in New York, and the open admission of a single individual—unchallenged by the Republican National Committee—that he himself at the personal request of the Republican candidate for the Presidency raised over a quarter of a million dollars to be used in a single State during the closing hours of the last campaign. In order that this practice shall be stopped for all time, we demand the passage of a statute punishing by imprisonment any officer of a corporation who shall either contribute on behalf of, or consent to the contribution by, a corporation of any money or thing of value to be used in furthering the election of a President or Vice President of the United States or of any member of the Congress thereof.

We denounce the Republican party, having complete control of the Federal Government, for their failure to pass the bill, introduced in the last Congress, to compel the publication of the names of contributors and the amounts contributed toward campaign funds, and point to the evidence of their insincerity when they sought by an absolutely irrelevant and impossible amendment to defeat the passage of the bill. As a further evidence of their intention to conduct their campaign in the coming contest with vast sums of money wrested from favor-seeking corporations, we call attention to the fact that the recent Republican National Convention at Chicago refused, when the issue was presented to it, to declare against such practices.

We pledge the Democratic party to the enactment of a law prohibiting any corporation from contributing to a campaign fund and any individual from contributing an amount above a reasonable maximum, and providing for the publication before elections of all such contributions.

**The Rights of the States.**

Believing, with Jefferson, in "the support of the State governments in all their rights as the most competent administrations for our domestic concerns, and the surest bulwarks against anti-republican tendencies," and in "the preservation of the General Government in its whole constitutional vigor, as the sheet anchor of our peace at home and safety abroad," we are opposed to the centralization implied in the suggestion, now frequently made, that the powers of the General Government should be extended by judicial construction. There is no twilight zone between the Nation and the State in which exploiting interests can take refuge from both; and it is as necessary that the Federal Government shall exercise the powers delegated to it as it is that the State Governments shall use the authority reserved to them; but we insist that Federal remedies for the regulation of interstate commerce and for the prevention of private monopoly shall be added to, not substituted for, State remedies.

**Tariff.**

We welcome the belated promise of tariff reform now offered by the Republican party in tardy recognition of the righteousness of the Democratic position on this question; but the people can not safely intrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican party. We call attention to the significant fact that the promised relief is postponed until after the coming election—an election to succeed in which the Republican party must have that same support from the beneficiaries of the high protective tariff as it has always heretofore received from them; and to the further fact that during years of uninterrupted power no action whatever has been taken by the Republican Congress to correct the admittedly existing tariff iniquities.

We favor immediate revision of the tariff by the reduction of import duties. Articles entering into competition with trust-controlled products should be placed upon the free list, and material reduction should be made in the tariff upon the necessities of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reduction should be made in such other schedules as may be necessary to restore the tariff to a revenue basis.

Existing duties have given to the manufacturers of paper a shelter behind which they have organized combinations to raise the price of pulp and of paper, thus imposing a tax upon the spread of knowledge. We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber and logs, and that these articles be placed upon the free list.

**Trusts.**

A private monopoly is indefensible and intolerable. We therefore favor the vigorous enforcement of the criminal law against guilty trust magnates and officials, and demand the enactment of such additional legislation as may be necessary to make it impossible for a private monopoly to exist in the United States. Among the additional remedies we specify three: First, a law preventing a duplication of directors among competing corporations; second, a license system which will, without abridging the right of each State to create corporations, or its right to regulate as it will foreign corporations doing business within its limits, make it necessary for a manufacturing or trading corporation engaged in interstate commerce to take out a Federal license before it shall be permitted to control as much as twenty-five per cent of the product in which it deals, the license to protect the public from watered stock and to prohibit the control by such corporation of more than fifty per cent of the total amount of any product consumed in the United States; and, third, a law compelling such licensed corporations to sell to all purchasers in all parts of the country on the same terms, after making due allowance for cost of transportation.



**Railroad Regulation.**

We assert the right of Congress to exercise complete control over interstate commerce and the right of each State to exercise like control over commerce within its borders.

We demand such enlargement of the powers of the Interstate Commerce Commission as may be necessary to enable it to compel railroads to perform their duties as common carriers and prevent discrimination and extortion.

We favor the efficient supervision and rate regulation of railroads engaged in interstate commerce. To this end we recommend the valuation of railroads by the Interstate Commerce Commission, such valuation to take into consideration the physical value of the property, the original cost of production, and all elements of value that will render the valuation fair and just.

We favor such legislation as will prohibit the railroads from engaging in business which brings them into competition with their shippers; also legislation which will assure such reduction in transportation rates as conditions will permit, care being taken to avoid reduction that would compel a reduction of wages, prevent adequate service, or do injustice to legitimate investments.

We heartily approve the laws prohibiting the pass and the rebate, and we favor any further necessary legislation to restrain, correct and prevent such abuses.

We favor such legislation as will increase the power of the Interstate Commerce Commission, giving to it the initiative with reference to rates and transportation charges put into effect by the railroad companies, and permitting the Interstate Commerce Commission, on its own initiative, to declare a rate illegal and as being more than should be charged for such service. The present law relating thereto is inadequate, by reason of the fact that the Interstate Commerce Commission is without power to fix or investigate a rate until complaint has been made to it by the shipper.

We further declare in favor of a law providing that all agreements of traffic or other associations of railway agents affecting interstate rates, service or classification shall be unlawful unless filed with and approved by the Interstate Commerce Commission.

We favor the enactment of a law giving to the Interstate Commerce Commission the power to inspect proposed railroad tariff rates or schedules before they shall take effect, and if they be found to be unreasonable, to initiate an adjustment thereof.

**Banking.**

The panic of 1907, coming without any legitimate excuse, when the Republican party had for a decade been in complete control of the Federal Government, furnishes additional proof that it is either unwilling or incompetent to protect the interests of the general public. It has so linked the country to Wall street that the sins of the speculators are visited upon the whole people. While refusing to rescue the wealthy producers from spoliation at the hands of the stock gamblers and speculators in farm products, it has deposited Treasury funds, without interest and without competition, in favorite banks. It has used an emergency for which it is largely responsible to force through Congress a bill changing the basis of bank currency and inviting market manipulation, and has failed to give to the 15,000,000 depositors of the country protection in their savings.

We believe that in so far as the needs of commerce require an emergency currency, such currency should be issued and controlled by the Federal Government, and loaned on adequate security to National and State banks. We pledge ourselves to legislation under which the national banks shall be required to establish a guarantee fund for the prompt payment of the depositors of any insolvent national bank, under an equitable system which shall be available to all State banking institutions wishing to use it.

We favor a postal savings bank if the guaranteed bank can

not be secured, and that it be constituted so as to keep the deposited money in the communities where it is established. But we condemn the policy of the Republican party in providing postal savings banks under a plan of conduct by which they will aggregate the deposits of the rural communities and redeposit the same while under Government charge in the banks of Wall street, thus depleting the circulating medium of the producing regions and unjustly favoring the speculative markets.

**Income Tax.**

We favor an income tax as part of our revenue system, and we urge the submission of a constitutional amendment specifically authorizing Congress to levy and collect a tax upon individual and corporate incomes, to the end that wealth may bear its proportionate share of the burdens of the Federal Government.

**Labor and Injunctions.**

The courts of justice are the bulwark of our liberties, and we yield to none in our purpose to maintain their dignity. Our party has given to the bench a long line of distinguished judges, who have added to the respect and confidence in which this department must be jealously maintained. We resent the attempt of the Republican party to raise a false issue respecting the judiciary. It is an unjust reflection upon a great body of our citizens to assume that they lack respect for the courts.

It is the function of the courts to interpret the laws which the people create, and if the laws appear to work economic, social or political injustice, it is our duty to change them. The only basis upon which the integrity of our courts can stand is that of unswerving justice and protection of life, personal liberty and property. If judicial processes may be abused, we should guard them against abuse.

Experience has proved the necessity of a modification of the present law relating to injunctions, and we reiterate the pledge of our national platforms of 1896 and 1904 in favor of the measure which passed the United States Senate in 1896, but which a Republican Congress has ever since refused to enact, relating to contempts in Federal Courts and providing for trial by jury in cases of indirect contempt.

Questions of judicial practice have arisen especially in connection with industrial disputes. We deem that the parties to all judicial proceedings should be treated with rigid impartiality, and that injunctions should not be issued in any cases in which injunctions would not issue if no industrial dispute were involved.

The expanding organization of industry makes it essential that there should be no abridgment of the right of wage earners and producers to organize for the protection of wages and the improvement of labor conditions, to the end that such labor organizations and their members should not be regarded as illegal combinations in restraint of trade.

We favor the eight-hour day on all Government work.

We pledge the Democratic party to the enactment of a law by Congress, as far as the Federal jurisdiction extends, for a general employers' liability act covering injury to body or loss of life of employees.

We pledge the Democratic party to the enactment of a law creating a Department of Labor, represented separately in the President's Cabinet, in which Department shall be included the subject of mines and mining.

**Merchant Marine.**

We believe in the upbuilding of the American merchant marine without new or additional burdens upon the people and without bounties from the public treasury.

**The Navy.**

The constitutional provision that a navy should be provided and maintained means an adequate navy, and we believe



that the interests of this country would be best served by having a navy sufficient to defend the coasts of this country and protect American citizens wherever their rights may be in jeopardy.

#### **Protection of American Citizens.**

We pledge ourselves to insist upon the just and lawful protection of our citizens at home and abroad, and to use all proper methods to secure for them, whether native born or naturalized, and without distinction of race or creed, the equal protection of the law and the enjoyment of all rights and privileges open to them under our treaties; and if, under existing treaties, the right to travel and sojourn is denied to American citizens, or recognition is withheld from American passports by any countries on the ground of race or creed, we favor prompt negotiations with the governments of such countries to secure the removal of these unjust discriminations.

We demand that all over the world a duly authenticated passport issued by the Government of the United States to an American citizen shall be proof of the fact that he is an American citizen and shall entitle him to the treatment due him as such.

#### **Civil Service.**

The laws pertaining to the civil service should be honestly and rigidly enforced, to the end that merit and ability shall be the standard of appointment and promotion rather than service rendered to a political party.

#### **Pensions.**

We favor a generous pension policy, both as a matter of justice to the surviving veterans and their dependents, and because it tends to relieve the country of the necessity of maintaining a large standing army.

#### **Health Bureau**

We advocate the organization of all existing national public health agencies into a national bureau of public health with such power over sanitary conditions connected with factories, mines, tenements, child labor and other such subjects as are properly within the jurisdiction of the Federal Government and do not interfere with the power of the States controlling public health agencies.

#### **Agricultural and Mechanical Education.**

The Democratic party favors the extension of agricultural, mechanical and industrial education. We therefore favor the establishment of district agricultural experiment stations and secondary agricultural and mechanical colleges in the several States.

#### **Popular Election of Senators.**

We favor the election of United States Senators by direct vote of the people, and regard this reform as the gateway to other national reforms.

#### **Oklahoma.**

We welcome Oklahoma to the sisterhood of States and heartily congratulate her upon the auspicious beginning of a great career.

#### **Panama Canal.**

We believe that the Panama Canal will prove of great value to our country, and favor its speedy completion.

#### **Arizona and New Mexico.**

The National Democratic party has for the last sixteen years labored for the admission of Arizona and New Mexico as separate States of the Federal Union, and recognizing that each possesses every qualification successfully to maintain separate State governments, we favor the immediate admission of these Territories as separate States.

**Grazing Lands.**

The establishment of rules and regulations, if any such are necessary, in relation to free grazing upon the public lands outside of forest and other reservations, until the same shall eventually be disposed of, should be left to the people of the States respectively in which such lands may be situated.

**Waterways.**

Water furnishes the cheaper means of transportation, and the National Government, having the control of navigable waters, should improve them to their fullest capacity. We earnestly favor the immediate adoption of a liberal and comprehensive plan for improving every water course in the Union which is justified by the needs of commerce; and, to secure that end, we favor, when practicable, the connection of the Great Lakes with the navigable rivers and with the Gulf through the Mississippi river, and the navigable rivers with each other, and the rivers, bays and sounds of our coasts with each other, by artificial canals, with a view to perfecting a system of inland waterways to be navigated by vessels of standard draught.

We favor the coordination of the various services of the Government connected with waterways in one service, for the purpose of aiding in the completion of such a system of inland waterways; and we favor the creation of a fund ample for continuous work, which shall be conducted under the direction of a commission of experts to be authorized by law.

**Post Roads.**

We favor Federal aid to State and local authorities in the construction and maintenance of post roads.

**Telegraph and Telephone.**

We pledge the Democratic party to the enactment of a law to regulate, under the jurisdiction of the Interstate Commerce Commission, the rates and services of telegraph and telephone companies engaged in the transmission of messages between the States.

**Natural Resources.**

We repeat the demand for internal development and for the conservation of our natural resources contained in previous platforms, the enforcement of which Mr. Roosevelt has vainly sought from a reluctant party; and to that end we insist upon the preservation, protection and replacement of needed forests, the preservation of the public domain for home-seekers, the protection of the national resources in timber, coal, iron and oil against monopolistic control, the development of our waterways for navigation and every other useful purpose, including the irrigation of arid lands, the reclamation of swamp lands, the clarification of streams, the development of water power, and the preservation of electric power, generated by this natural force, from the control of monopoly; and to such end we urge the exercise of all powers, national, State and municipal, both separately and in co-operation.

We insist upon a policy of administration of our forest reserves which shall relieve it of the abuses which have arisen thereunder, and which shall, as far as practicable, conform to the police regulations of the several States wherein the reserves are located, which shall enable homesteaders as of right to occupy and acquire title to all portions thereof which are especially adapted to agriculture, and which shall furnish a system of timber sales available as well to the private citizen as to the larger manufacturer and consumer.

**Hawaii.**

*We favor the application of the principles of the land laws of the United States to our newly acquired territory, Hawaii, to the end that the public lands of that territory may be held and utilized for the benefit of bona fide homesteaders.*

**The Philippines.**

We condemn the experiment of imperialism as an inexcusable blunder which has involved us in enormous expense, brought us weakness instead of strength, and laid our nation open to the charge of abandoning a fundamental doctrine of self-government. We favor an immediate declaration of the nation's purpose to recognize the independence of the Philippine Islands as soon as a stable government can be established, such independence to be guaranteed by us as we guarantee the independence of Cuba, until the neutralization of the islands can be secured by treaty with other powers. In recognizing the independence of the Philippines our Government should retain such land as may be necessary for coaling stations and naval bases.

**Alaska and Porto Rico.**

We demand for the people of Alaska and Porto Rico the full enjoyment of the rights and privileges of a territorial form of government, and that the officials appointed to administer the government of all our territories and the District of Columbia should be thoroughly qualified by previous bona fide residence.

**Pan-American Relations.**

The Democratic party recognizes the importance and advantage of developing closer ties of Pan-American friendship and commerce between the United States and her sister nations of Latin-America, and favors the taking of such steps, consistent with Democratic policies, for the better acquaintance, greater mutual confidence, and larger exchange of trade as will bring lasting benefit not only to the United States, but to this group of American Republics, having constitutions, forms of government, ambitions and interests akin to our own.

**Asiatic Immigration.**

We favor full protection, by both National and State governments within their respective spheres, of all foreigners residing in the United States under treaty, but we are opposed to the admission of Asiatic immigrants who cannot be amalgamated with our population, or whose presence among us would raise a race issue and involve us in diplomatic controversies with Oriental powers.

**Foreign Patents.**

We believe that where an American citizen holding a patent in a foreign country is compelled to manufacture under his patent within a certain time, similar restrictions should be applied in this country to the citizens or subjects of such a country.

**Conclusion.**

The Democratic party stands for Democracy; the Republican party has drawn to itself all that is aristocratic and plutocratic.

The Democratic party is the champion of equal rights and opportunities to all; the Republican party is the party of privilege and private monopoly. The Democratic party listens to the voice of the whole people and gauges progress by the prosperity and advancement of the average man; the Republican party is subservient to the comparatively few who are the beneficiaries of governmental favoritism. We invite the co-operation of all, regardless of previous political affiliation or past differences, who desire to preserve a government of the people by the people, and for the people, and who favor such an administration of the government as will insure, as far as human wisdom can, that each citizen shall draw from society a reward commensurate with his contribution to the welfare of society.

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*The Republican party is greater than any man, a distinct contrast to the Democratic party, which has but one leader and he its master.—Hon. James S. Sherman.*

# SPEECH OF WILLIAM JENNINGS BRYAN.

At Lincoln, Nebraska, August 12, 1908, Accepting the Democratic Nomination for the Presidency.

Mr. Clayton and Gentlemen of the Notification Committee: I cannot accept the nomination which you officially tender, without first acknowledging my deep indebtedness to the Democratic party for the extraordinary honor which it has conferred upon me. Having twice before been a candidate for the Presidency, in campaigns which ended in defeat, a third nomination, the result of the free and voluntary act of the voters of the party, can only be explained by a substantial and undisputed growth in the principles and policies for which I, with a multitude of others, have contended. As these principles and policies have given me whatever political strength I possess, the action of the convention not only renews my faith in them, but strengthens my attachment to them.

## A Platform is Binding.

I shall, in the near future, prepare a more formal reply to your notification, and, in that letter of acceptance, will deal with the platform in detail. It is sufficient, at this time, to assure you that I am in hearty accord with both the letter and the spirit of the platform. I indorse it in whole and in part, and shall, if elected, regard its declarations as binding upon me. And, I may add, a platform is binding as to what it omits as well as to what it contains. According to the Democratic idea, the people think for themselves and select officials to carry out their wishes. The voters are the sovereigns; the officials are the servants, employed for a fixed time and at a stated salary to do what the sovereigns want done, and to do it in the way the sovereigns want it done. Platforms are entirely in harmony with this Democratic idea. A platform announces the party's position on the questions which are at issue; and an official is not at liberty to use the authority vested in him to urge personal views which have not been submitted to the voters for their approval. If one is nominated upon a platform which is not satisfactory to him, he must, if candid, either decline the nomination, or, in accepting it, propose an amended platform in lieu of the one adopted by the convention. No such situation, however, confronts your candidate, for the platform upon which I was nominated not only contains nothing from which I dissent, but it especially outlines all the remedial legislation which we can hope to secure during the next four years.

## Republican Challenge Accepted.

The distinguished statesman who received the Republican nomination for President said, in his notification speech:

"The strength of the Republican cause in the campaign at hand is the fact that we represent the policies essential to the reform of known abuses, to the continuance of liberty and true prosperity, and that we are determined, as our platform unequivocally declares, to maintain them and carry them on."

In the name of the Democratic party, I accept the challenge, and charge that the Republican party is responsible for all the abuses which now exist in the Federal Government, and that it is impotent to accomplish the reforms which are imperatively needed. Further, I cannot concur in the statement that the Republican platform unequivocally declares for the reforms that are necessary; on the contrary, I affirm that it openly and notoriously disappoints the hopes and expectations of reformers, whether those reformers be Republicans or Democrats. So far did the Republican convention fall short of its



duty that the Republican candidate felt it necessary to add to his platform in several important particulars, thus rebuking the leaders of the party, upon whose co-operation he must rely for the enactment of remedial legislation.

As I shall, in separate speeches, discuss the leading questions at issue, I shall at this time confine myself to the paramount question, and to the far-reaching purpose of our party, as that purpose is set forth in the platform.

### **Shall the People Rule?**

Our platform declares that the over-shadowing issue which manifests itself in all the questions now under discussion is "Shall the people rule?" No matter which way we turn, no matter to what subject we address ourselves, the same question confronts us: Shall the people control their own government, and use that government for the protection of their rights and for the promotion of their welfare? or shall the representatives of predatory wealth prey upon a defenseless public, while the offenders secure immunity from subversive officials whom they raise to power by unscrupulous methods? This is the issue raised by the "known abuses" to which Mr. Taft refers.

### **The President's Indictment Against the Party.**

In a message sent to Congress last January, President Roosevelt said: "The attacks by these great corporations on the administration's actions have been given a wide circulation throughout the country, in the newspapers and otherwise, by those writers and speakers who, consciously or unconsciously, act as the representative of predatory wealth—of the wealth accumulated on a giant scale by all forms of iniquity, ranging from the oppression of the wage-earners to unfair and unwholesome methods of crushing out competition, and to defrauding the public by stock-jobbing and the manipulation of securities. Certain wealthy men of this stamp, whose conduct should be abhorrent to every man of ordinary decent conscience, and who commit the hideous wrong of teaching our young men that phenomenal business success must ordinarily be based on dishonesty, have, during the last few months, made it apparent that they have banded together to work for a reaction. Their endeavor is to overthrow and discredit all who honestly administer the law, to prevent any additional legislation which would check and restrain them, and to secure, if possible, a freedom from all restraint which will permit every unscrupulous wrongdoer to do what he wishes unchecked, provided he has enough money." What an arraignment of the predatory interests! Is the President's indictment true? And, if true, against whom was the indictment directed? Not against the Democratic party.

### **Mr. Taft Indorses the Indictment.**

Mr. Taft says that these evils have crept in during the last ten years. He declares that during this time some "prominent and influential members of the community, spurred by financial success and in their hurry for greater wealth, became unmindful of the common rules of business honesty and fidelity, and of the limitations imposed by law upon their actions;" and that "the revelations of the breaches of trusts, the disclosures as to rebates and discriminations by railroads, the accumulating evidence of the violation of the anti-trust laws by a number of corporations, and the over-issue of stocks and bonds of interstate railroads for the unlawful enriching of directors and for the purpose of concentrating the control of the railroads under one management"—all these, he charges, "quickened the conscience of the people and brought on a moral awakening."

During all this time, I beg to remind you, Republican officials presided in the executive department, filled the cabinet, dominated the Senate, controlled the House of Representatives and occupied most of the Federal judgeships. Four years ago the Republican platform boastfully declared that since 1860—

with the exception of two years—the Republican party had been in control of part or of all the branches of the Federal Government; that for two years only was the Democratic party in a position to either enact or repeal a law. Having drawn the salaries, having enjoyed the honors, having secured the prestige, let the Republican party accept the responsibility!

#### **Republican Party Responsible.**

Why were these "known abuses" permitted to develop? Why have they not been corrected? If existing laws are sufficient, why have they not been enforced? All of the executive machinery of the Federal Government is in the hands of the Republican party. Are new laws necessary? Why have they not been enacted? With a Republican President to recommend, with a Republican Senate and House to carry out his recommendations, why does the Republican candidate plead for further time in which to do what should have been done long ago? Can Mr. Taft promise to be more strenuous in the prosecution of wrong-doers than the present executive? Can he ask for a larger majority in the Senate than his party now has? Does he need more Republicans in the House of Representatives, or a Speaker with more unlimited authority?

#### **Why no Tariff Reform.**

The President's close friends have been promising for several years that he would attack the iniquities of the tariff. We have had intimation that Mr. Taft was restive under the demands of the highly protected industries. And yet the influence of the manufacturers, who have for twenty-five years contributed to the Republican campaign fund and who in return have framed the tariff schedules, has been sufficient to prevent tariff reform. As the present campaign approached, both the President and Mr. Taft declared in favor of tariff revision, but set the date of revision after the election. But the pressure brought to bear by the protected interests has been great enough to prevent any attempt at tariff reform before the election; and the reduction promised after the election is so hedged about with qualifying phrases that no one can estimate with accuracy the sum total of tariff reform to be expected in case of Republican success. If the past can be taken as a guide, the Republican party will be so obligated by campaign contributions from the beneficiaries of protection as to make that party powerless to bring to the country any material relief from the present tariff burdens.

#### **Why no Anti-Trust Legislation.**

A few years ago the Republican leaders in the House of Representatives were coerced by public opinion into the support of an anti-trust law which had the indorsement of the President, but the Senate refused even to consider the measure, and since that time no effort has been made by the dominant party to secure remedial legislation upon this subject.

#### **Why no Railroad Legislation?**

For ten years the Interstate Commerce Commission has been asking for an enlargement of its powers, that it might prevent rebates and discriminations, but a Republican Senate and a Republican House of Representatives were unmoved by its entreaties. In 1900 the Republican National Convention was urged to indorse the demand for railway legislation, but the platform was silent on the subject. Even in 1904 the convention gave no pledge to remedy these abuses. When the President finally asked for legislation he drew his inspiration from three Democratic National platforms and he received more cordial support from the Democrats than from the Republicans. The Republicans in the Senate deliberately defeated several amendments offered by Senator La Follette and supported by the Democrats—amendments embodying legislation asked by the Interstate Commerce Commission. One of these amendments authorized the ascertainment of the value of railroads. This



amendment was not only defeated by the Senate, but it was overwhelmingly rejected by the recent Republican National Convention, and the Republican candidate has sought to rescue his party from the disastrous results of this act by expressing himself, in a qualified way, in favor of ascertaining the value of the railroads.

#### **Overissues of Stocks and Bonds.**

Mr. Taft complains of the overissue of stocks and bonds of railroads "for the unlawful enriching of directors and for the purpose of concentrating the control of the railroads under one management," and the complaint is well founded. But with a President to point out the evil and a Republican Congress to correct it we find nothing done for the protection of the public. Why? My honorable opponent has, by his confession, relieved me of the necessity of furnishing proof: he admits the condition, and he cannot avoid the logical conclusion that must be drawn from the admission. There is no doubt whatever that a large majority of the voters of the Republican party recognize the deplorable situation which Mr. Taft describes; they recognize that the masses have had but little influence upon legislation or upon the administration of the government, and they are beginning to understand the cause. For a generation the Republican party has drawn its campaign funds from the beneficiaries of special legislation. Privileges have been pledged and granted in return for money contributed to debauch elections. What can be expected when official authority is turned over to the representatives of those who first furnish the sinews of war and then reimburse themselves out of the pockets of the taxpayers?

#### **Fasting in Wilderness Necessary.**

So long as the Republican party remains in power it is powerless to regenerate itself. It cannot attack wrongdoing in high places without disgracing many of its prominent members, and it, therefore, uses opiates instead of the surgeon's knife. Its malfactors construe each Republican victory as an endorsement of their conduct, and threaten the party with defeat if they are interfered with. Not until that party passes through a period of fasting in the wilderness will the Republican leaders learn to study public questions from the standpoint of the masses. Just as with individuals "the cares of this world and the deceitfulness of riches choke the truth," so in politics, when party leaders serve far away from home and are not in constant contact with the voters, continued party success blinds their eyes to the needs of the people and makes them deaf to the cry of distress.

#### **Publicity as to Campaign Contributions.**

An effort has been made to secure legislation requiring publicity as to campaign contributions and expenditures, but the Republican leaders, even in the face of an indignant public, refused to consent to a law which would compel honesty in elections. When the matter was brought up in the recent Republican National Convention the plank was repudiated by a vote of 880 to 94. Here, too, Mr. Taft has been driven to apologize for his convention and to declare himself in favor of a publicity law, and yet, if you will read what he says upon this subject, you will find that his promise falls far short of the requirements of the situation. He says:

"If I am elected President I shall urge upon Congress, with every hope of success, that a law be passed requiring the filing, in a federal office, of a statement of the contributions received by committees and candidates in elections for members of Congress, and in such other elections as are constitutionally within the control of Congress."

I shall not embarrass him by asking him upon what he bases his hope of success; it is certainly not on any encouragement he has received from Republican leaders. It is sufficient to say that if his hopes were realized—if, in spite of the adverse action of his convention, he should succeed in securing the enactment

the very law which he favors, it would give but partial relief. He has read the Democratic platform; not only his language, but his evident alarm, indicates that he has read it carefully. He even had before him the action of the Democratic National Committee in interpreting and applying that platform, and yet he fails to say that he favors the publication of the contributions before the election. Of course, it satisfies a natural curiosity to find out how an election has been purchased, even when the knowledge comes too late to be of service, but why should the people be kept in darkness until the election is past? Why should the locking of the door be delayed until the horse is gone?

#### **An Election a Public Affair.**

An election is a public affair. The people, exercising the right to select their officials and to decide upon the policies to be pursued, proceed to their several polling places on election day and register their will. What excuse can be given for secrecy as to the influences at work? If a man, pecuniarily interested in "concentrating the control of the railroads in one management," subscribes a large sum to aid in carrying the election, why should his part in the campaign be concealed until he has put the officials under obligation to him? If a trust magnate contributes \$100,000 to elect political friends to office, with a view to preventing hostile legislation, why should that fact be concealed until his friends are securely seated in their official position?

This is not a new question; it is a question which has been agitated—a question which the Republican leaders fully understand—a question which the Republican candidate has studied, and yet he refuses to declare himself in favor of the legislation absolutely necessary, namely, legislation requiring publication before the election.

#### **Democratic Party Promises Publicity.**

How can the people hope to rule if they are not able to learn until after the election what the predatory interests are doing? The Democratic party meets the issue honestly and courageously. It says:

"We pledge the Democratic party to the enactment of a law prohibiting any corporation from contributing to a campaign fund, and any individual from contributing an amount above a reasonable maximum, and providing for the publication, before election, of all such contributions above a reasonable minimum."

The Democratic National Committee immediately proceeded to interpret and apply this plank, announcing that no contributions would be received from corporations, that no individual would be allowed to contribute more than \$10,000, and that all contributions above \$100 would be made public before the election—those received before October 15 to be made public on or before that day, those received afterward to be made public on the day when received, and no such contributions to be accepted within three days of the election. The expenditures are to be published after the election. Here is a plan which is complete and effective.

#### **Popular Election of Senators.**

Next to the corrupt use of money, the present method of electing United States Senators is most responsible for the obstruction of reforms. For one hundred years after the adoption of the Constitution the demand for the popular election of senators, while finding increased expression, did not become a dominant sentiment. A constitutional amendment had from time to time been suggested and the matter had been more or less discussed in a few of the States, but the movement had not reached a point where it manifested itself through congressional action. In the Fifty-second Congress, however, a resolution was reported from a House committee proposing the necessary constitutional amendment, and this resolution passed the House of Representatives by a vote which was practically unanimous. In the Fifty-third Congress a similar resolution



was reported to and adopted by the House of Representatives. Both the Fifty-second and Fifty-third Congresses were Democratic. The Republicans gained control of the House as a result of the election of 1894 and in the Fifty-fourth Congress the proposition died in committee. As time went on, however, the sentiment grew among the people until it forced a Republican Congress to follow the example set by the Democrats, and then another and another Republican Congress acted favorably. State after State has indorsed this reform, until nearly two-thirds of the States have recorded themselves in its favor. The United States Senate, however, impudently and arrogantly obstructs the passage of the resolution, notwithstanding the fact that the voters of the United States, by an overwhelming majority, demand it. And this refusal is the more significant when it is remembered that a number of senators owe their election to great corporate interests. Three Democratic National platforms—the platforms of 1900, 1904 and 1908—specifically call for a change in the Constitution which will put the election of senators in the hands of the voters, and the proposition has been indorsed by a number of the smaller parties, but no Republican National Convention has been willing to champion the cause of the people on this subject. The subject was ignored by the Republican National Convention in 1900; it was ignored in 1904, and the proposition was explicitly repudiated in 1908, for the recent Republican National Convention by a vote of 866 to 144 rejected the plank indorsing the popular election of senators—and this was done in the convention which nominated Mr. Taft, few delegates from his own State voting for the plank.

#### **Personal Inclination not Sufficient.**

In his notification speech the Republican candidate, speaking of the election of senators by the people says: "Personally, I am inclined to favor it, but it is hardly a party question." What is necessary to make this a party question? When the Democratic convention indorses a proposition by a unanimous vote, and the Republican convention rejects the proposition by a vote of seven to one, does it not become an issue between the parties? Mr. Taft cannot remove the question from the arena of politics by expressing a personal inclination toward the Democratic position. For several years he has been connected with the administration. What has he ever said or done to bring this question before the public? What enthusiasm has he shown in the reformation of the Senate? What influence could he exert in behalf of a reform which his party has openly and notoriously condemned in its convention and to which he is attached only by a belated expression of personal inclination?

#### **The Gateway to other Reforms.**

"Shall the people rule?" Every remedial measure of a national character must run the gantlet of the Senate. The President may personally incline toward a reform; the House may consent to it, but as long as the Senate obstructs the reform the people must wait. The President may heed a popular demand; the House may yield to public opinion, but as long as the Senate is defiant the rule of the people is defeated. The Democratic platform very properly describes the popular election of senators as "the gateway to other national reforms." Shall we open the gate, or shall we allow the exploiting interests to bar the way by the control of this branch of the federal legislature? Through a Democratic victory and through a Democratic victory only, can the people secure the popular election of senators. The smaller parties are unable to secure this reform; the Republican party, under its present leadership, is resolutely opposed to it; the Democratic party stands for it and has boldly demanded it. If I am elected to the Presidency, those who are elected upon the ticket with me will be, like myself, pledged to this reform, and I shall convene Congress in extraordinary session immediately after inauguration and ask, among other things, for the fulfillment of this platform pledge.



**House Rules Despotie.**

The third instrumentality employed to defeat the will of the people is found in the rules of the House of Representatives. Our platform points out that "the House of Representatives was designed by the fathers of the Constitution to be the popular branch of our government, responsive to the public will," and adds:

"The House of Representatives, as controlled in recent years by the Republican party, has ceased to be a deliberative and legislative body, responsive to the will of a majority of the members, but has come under the absolute dominion of the Speaker, who has entire control of its deliberations and powers of legislation.

"We have observed with amazement the popular branch of our federal government helpless to obtain either the consideration or enactment of measures desired by a majority of its members."

This arraignment is fully justified. The reform Republicans in the House of Representatives, when in the minority in their own party, are as helpless to obtain a hearing or to secure a vote upon a measure as are the Democrats. In the recent session of the present Congress there was a considerable element in the Republican party favorable to remedial legislation; but a few leaders, in control of the organization, despotically suppressed these members, and thus forced a real majority in the House to submit to a well-organized minority. The Republican National Convention, instead of rebuking this attack upon popular government, enologized Congress and nominated as the Republican candidate for Vice-President one of the men who shared in the responsibility for the coercion of the House. Our party demands that "the House of Representatives shall again become a deliberative body, controlled by a majority of the people's representatives, and not by the Speaker," and is pledged to adopt "such rules and regulations to govern the House of Representatives as will enable a majority of its members to direct its deliberations and control legislation."

"Shall the people rule?" They cannot do so unless they can control the House of Representatives, and through their representatives in the House give expression to their purposes and their desires. The Republican party is committed to the methods now in vogue in the House of Representatives; the Democratic party is pledged to such a revision of the rules as will bring the popular branch of the federal government into harmony with the ideas of those who framed our Constitution and founded our government.

**Other Issues will be Discussed Later.**

"Shall the people rule?" I repeat, is declared by our platform to be the overshadowing question, and as the campaign progresses I shall take occasion to discuss this question as it manifests itself in other issues; for whether we consider the tariff question, the trust question, the railroad question, the banking question, the labor question, the question of imperialism, the development of our waterways, or any other of the numerous problems which press for solution, we shall find that the real question involved in each is, whether the government shall remain a mere business asset of favor-seeking corporations or be an instrument in the hands of the people for the advancement of the common weal.

**Democratic Party has Earned Confidence.**

If the voters are satisfied with the record of the Republican party and with its management of public affairs we cannot reasonably ask for a change in administration; if, however, the voters feel that the people, as a whole, have too little influence in shaping the policies of the Government; if they feel that great combinations of capital have encroached upon the rights of the masses and employed the instrumentalities of government to secure an unfair share of the total wealth produced, then we have a right to expect a verdict against the Republican party and in favor of the Democratic party; for our party has risked



defeat—aye, suffered defeat—in its effort to arouse the conscience of the public and to bring about that very awakening to which Mr. Taft has referred.

Only those are worthy to be intrusted with leadership in a great cause who are willing to die for it, and the Democratic party has proven its worthiness by its refusal to purchase victory by delivering the people into the hands of those who have despoiled them. In this contest between Democracy on the one side and plutocracy on the other the Democratic party has taken its position on the side of equal rights, and invites the opposition of those who use politics to secure special privileges and governmental favoritism. Gauging the progress of the nation, not by the happiness, or wealth or refinement of a few, but "by the prosperity and advancement of the average man," the Democratic party charges the Republican party with being the promoter of present abuses, the opponent of necessary remedies and the only bulwark of private monopoly. The Democratic party affirms that in this campaign it is the only party, having a prospect of success, which stands for justice in government and for equity in the division of the fruits of industry.

#### **Democratic Party Defender of Honest Wealth.**

We may expect those who have committed larceny by law and purchased immunity with their political influence to attempt to raise false issues and to employ "the livery or Heaven" to conceal their evil purposes, but they can no longer deceive. The Democratic party is not the enemy of any legitimate industry or of honest accumulations. It is, on the contrary, a friend of industry and the steadfast protector of that wealth which represents a service to society. The Democratic party does not seek to annihilate all corporations; it simply asserts that as the Government creates corporations, it must retain the power to regulate and control them, and that it should not permit any corporation to convert itself into a monopoly. Surely we should have the co-operation of all legitimate corporations in our effort to protect business and industry from the odium which lawless combinations of capital will, if unchecked, cast upon them. Only by the separation of the good from the bad can the good be made secure.

#### **Not Revolution, but Reformation.**

The Democratic party seeks not revolution, but reformation, and I need hardly remind the student of history that cures are mildest when applied at once; that remedies increase in severity as their application is postponed. Blood poisoning may be stopped by the loss of a finger today; it may cost an arm tomorrow or a life the next day. So poison in the body politic cannot be removed too soon, for the evils produced by it increase with the lapse of time. That there are abuses which need to be remedied even the Republican candidate admits; that his party is unable to remedy them has been fully demonstrated during the last ten years. I have such confidence in the intelligence as well as the patriotism of the people that I cannot doubt their readiness to accept the reasonable reforms which our party proposes, rather than permit the continued growth of existing abuses to hurry the country on to remedies more radical and more drastic.

#### **Our Party's Ideal.**

The platform of our party closes with a brief statement of the party's ideal. It favors "such" an administration of the government as will insure, as far as human wisdom can, that each citizen shall draw from society a reward commensurate with his contribution to the welfare of society."

Governments are good in proportion as they assure to each member of society, so far as governments can, a return commensurate with individual merit.

#### **The Divine Law of Rewards.**

There is a divine law of rewards. When the Creator gave us the earth, with its fruitful soil, the sunshine with its warmth

and the rains with their moisture. He proclaimed, as clearly as if His voice had thundered from the clouds, "Go work, and according to your industry and your intelligence, so shall be your reward." Only where might has overthrown, cunning undermined or government suspended this law, has a different law prevailed. To conform the government to this law ought to be the ambition of the statesman; and no party can have a higher mission than to make it a reality wherever governments can legitimately operate.

#### Justice to All.

Recognizing that I am indebted for my nomination to the rank and file of our party, and that my election must come, if it comes at all, from the unpurchased and unpurchasable suffrages of the American people, I promise, if intrusted with the responsibilities of this high office, to consecrate whatever ability I have to the one purpose of making this, in fact, a government in which the people rule—a government which will do justice to all, and offer to everyone the highest possible stimulus to great and persistent effort, by assuring to each the enjoyment of his just share of the proceeds of his toil, no matter in what part of the vineyard he labors, or to what occupation, profession or calling he devotes himself.

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Protection creates a home market, without which the cultivators of land in America would be but little better off than our aborigines.—Hon. J. S. Morrill.

The Republican party will continue to be a protectionist party and the American people a protectionist people. And that protection must apply to every section, every industry and every class.—Hon. James S. Sherman.

We face the future with our past and present as guarantors of our promises; and we are content to stand or to fall by the record which we have made and are making.—President Roosevelt's speech accepting 1904 nomination.

When in 1900 the Gold Standard was established by the Republican party, in spite of Democratic opposition, it completed and perfected its record as regards our National honor and party honor in meeting in full every financial obligation.—Hon. James S. Sherman.

We deal too much in the superlative of denunciation and blind our eyes to the good that is all about us. Deep down under all hastily formed public opinion are the sound judgment and sober common sense of millions of sturdy and reasonable and far-seeing Americans who believe in the strength of our institutions, in our ability to work out our problems, and always, in the last analysis, in our capacity for self-government.—Hon. George B. Cortelyou, at Urbana, Illinois, June 7, 1905.

The representative government that has served us well from 130 years has not been for Mr. Bryan sufficiently expressive of the will of the people. We must call upon fourteen million electors to legislate directly. Could any more burdensome or inefficient method be devised than this? I believe that the referendum under certain conditions and limitations in the subdivisions of a State on certain issues may be healthful and useful, but as applied to our national government it is entirely impracticable.—Hon. Wm. H. Taft, at Columbus, Ohio.

The influence of a free press must not be impaired, nor must the great body of American newspapers—among the noblest agencies of enlightenment and civilization—be judged by a few who have prostituted their high calling to ignoble uses.—Hon. George B. Cortelyou, at Urbana, Illinois, June 7, 1905.

The Democrats are a party having no solidarity, uniting elements that are as unmixable as oil and water, and when they come to make a government, should they ever be elected to power, the administration would become as nerveless as a man stricken with paralysis, because the radical difference between the elements necessary to make up the party would be so great as to produce perfect stagnation in legislative provision for the emergencies which might arise. The Democratic party to-day, as organized, is nothing but organized incapacity. Neither element of the party would have a sense of responsibility strong enough to overcome its antagonism to the principles upheld by the other faction were it to come into power.—Hon. Wm. H. Taft, at Montpelier, Vermont.



# STATISTICAL STATEMENTS.

Prices 1880 to 1907.

The figures presented in this table are the annual average wholesale price of each article in the year named. They are based, for the earlier years, upon the Aldrich tables, and in the later years upon the quotations of the Labor Bureau of the Department of Commerce and Labor, and the annual averages are the result of the combination of a large number of quotations made at various periods during the years in question.

Annual average of wholesale prices during calendar years.

Articles.	1880.	1890.	1900.	1903.	1907.
<b>Food, etc.:</b>	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
Butter, creamery, extra.....lb.	0.2925	0.2276	0.2245	0.2348	0.2461
Coffee, Rio, fair and No. 7.....lb.	.1513	.1793	.0822	.0569	.0668
Flour, wheat.....bbl.	8.9000	5.1856	3.8423	4.3903	4.8756
Flour, rye.....bbl.	4.9880	3.3646	3.4250	3.1479	4.6021
<b>Fruit:</b>					
Apples, evaporated.....lb.	.1433	.1136	.0615	.0611	.0843
Currants.....lb.	.0593	.0478	.0720	.0476	.0703
Raisins, California, London layers.....box.	2.2875	2.3904	1.5208	1.4458	1.6371
Lard, prime.....lb.	.0750	.0633	.0690	.0677	.0320
<b>Meat:</b>					
Beef, fresh, native sides.....lb.	-----	.0688	.0804	.0784	.0684
Salt, extra mess.....bbl.	-----	6.9596	9.7538	9.0673	9.8173
Ham.....lb.	.0991	.0995	.1025	.1271	.1303
Pork, salt, mess.....bbl.	13.3100	12.1502	12.5072	16.6514	17.5694
Bacon.....lb.	-----	.0608	.0752	.0359	.0954
<b>Molasses, New Orleans,</b>					
prime.....gal.	.5500	.3542	.4775	.3546	.4036
Rice.....lb.	.0725	.0605	.0548	.0566	.0531
Salt.....bbl.	.7500	.7921	1.0010	.6140	.7931
<b>Spices:</b>					
Nutmegs.....lb.	.8850	.6817	.2801	.2877	.1397
Pepper.....lb.	.1417	.1151	.1291	.1239	.0994
Starch, pure.....lb.	.0613	.0546	.0500	.0507	.0600
<b>Sugar:</b>					
96° centrifugal.....lb.	.0676	.0646	.04572	.06720	.03754
Refined, granulated.....lb.	.0988	.06168	.05332	.04641	.4651
Tallow.....lb.	.0672	.0460	.0485	.0510	.0621
<b>Farm products:</b>					
Wheat, cash.....bush.	-----	.8033	.7040	.78955	.9073
Wheat, No. 2, red winter.....bush.	-----	.963	.804	.853	.963
Wheat, contract grades, cash.....bush.	-----	.8923	.7010	.7895	-----
Corn, No. 2, cash.....bush.	-----	.3950	.3811	.4006	.5220
Oats, cash.....bush.	-----	.3106	.2271	.3511	.4501
Rye, No. 2, cash.....bush.	-----	.5147	.5177	.5156	.7688
Barley, by sample.....bush.	-----	.5082	.4815	.5494	.7663
Flaxseed, No. 1.....bush.	-----	1.3067	1.6223	1.0471	1.1806
<b>Cattle:</b>					
Steers, choice to extra. 100 lbs.	-----	4.8697	5.7827	5.5678	6.5442
Steers, good to choice. 100 lbs.	-----	4.1375	5.3938	5.0615	5.8120
<b>Hogs:</b>					
Heavy.....100 lbs.	-----	3.9534	5.0815	6.0672	6.0800
Light.....100 lbs.	-----	3.9260	5.1135	6.0541	6.2163
<b>Sheep:</b>					
Native.....100 lbs.	-----	4.5284	4.1236	3.7101	4.8062
Western.....100 lbs.	-----	4.6644	4.5207	3.8769	4.8835
Hides, green, salted, packers' heavy native steers.....lb.	-----	.0983	.1194	.1169	.1455
Hay, timothy, No. 1.....ton.	-----	9.9952	11.5673	12.4279	16.9387
Hops, New York State, choice.....lb.	-----	.2621	.1483	.2825	.1738
Cotton, upland, middling.....lb.	.12267	.11089	.06600	.11235	.11879
<b>Wool:</b>					
Ohio medium fleece, scoured.....lb.	.8375	.6143	.5296	.4656	.5158
Ohio, fine fleeced, scoured.....lb.	1.0275	.7156	.6594	.6546	.7181
<b>Cloths and clothing:</b>					
Bags, 2-bush., Amoskeag each.....	.1931	.1594	.1575	.1458	.1983
<b>Boots and shoes:</b>					
Men's brogans.....pair.	1.3000	1.0500	.9375	.9250	1.2729
Men's split boots.....doz. pairs.	21.500	17.000	18.000	18.500	26.1637
Women's solid grain shoes.....pair.	.9500	.8500	.9042	.88.75	1.2063
Calico, Cocheo prints.....yd.	.0762	.0650	.0525	.0504	-----

## Annual average of wholesale prices—Continued.

Articles.	1880.	1890.	1900.	1903.	1907.
<b>Carpets:</b>					
Ingtrain, 2-ply, Lowell.....yd.	Dollars. .5767	Dollars. .5160	Dollars. .4920	Dollars. .5136	Dollars. .5760
Wilton, five-fringe Bigelow.....yd.	2.6750	1.9200	1.8720	2.0080	2.28
Cotton thread, 6-cord, 200 yards, J. & P. Coats.....spool.	.041250	.0315	.0372	.0372	.041313
Denims, Amoskeag.....yd.	.1469	.1175	.1073	.1127	.1381
Drillings, Stark A.....yd.	.0806	.0640	.0542	.0581	.0782
Ginghams, Amoskeag.....yd.	.0881	.0625	.0515	.0530	.0658
Print cloths, 28-inch, 64 by 64.....yd.	.0431	.0334	.0308	.0321	.047512
Shirtings, bleached, 4-4 Fruit of loom.....yd.	.1021	.0845	.0753	.0767	.1117
Shirtings, bleached, 4-4 Lonsdale.....yd.	.0950	.0845	.0731	.0755	.1025
Tickings, Amoskeag, A. C. A.....yd.	.1588	.1200	.1084	.1104	.1373
<b>Women's dress goods:</b>					
Cotton warp alapaca, 22 in. Hamilton.....yd.	.1037	.0735	.0711	.0690	—c—
Cotton warp cashmere, 22 in. Atlantic F.....yd.		.1813	.1642	.1679	.2234
Cotton warp cashmere, 27 in. Hamilton.....yd.	.1450	.0980	.0882	.0894	—c—
Cashmere, all wool, Atlantic J.....yd.		.3479	.3459	.3320	.3920
<b>Fuel and lighting:</b>					
Coal, anthracite stove.....ton.	3.9625	3.7108	3.9451	4.8245	4.8215
Bituminous.....ton.	5.1125	2.9875	2.9083	4.4375	3.2375
<b>Metals and implements:</b>					
Nails, cut.....100 lbs.		2.2875	2.2500	2.1958	2.1625
Wire.....100 lbs.		2.9646	2.6333	2.0750	2.1167
Barbed wire, galvanized.....100 lbs.		3.5665	3.3942	2.7375	2.6342
Pig iron, No. 1 foundry.....ton.	28.503	18.4083	19.9800	19.9158	23.8050
Steel rails.....ton.	67.5000	31.7792	32.2875	28.0000	28.0000
Bar iron, best refined (Philadelphia).....lb.		.0205	.0196	.0200	.0211
Copper, sheet.....lb.	.2900	.2275	.2067	.1917	.2792
Quicksilver.....lb.	.4138	.7300	.0769	.0342	.5129
Lead, pig.....lb.	.0472	.0440	.0445	.0428	.0552
Lead pipe.....100 lbs.	6.5825	5.4000	5.1208	5.1958	6.7050
Saws, hand, Disston's.....doz.	14.040	14.400	12.600	12.600	12.95
Shovels, Ames' No. 2.....doz.	10.0300	7.8700	9.1200	8.0200	7.84
Spelter (Western).....lb.	.0575	.0554	.0442	.0558	.0617
<b>Lumber and building materials:</b>					
plain.....M. feet.	33.0000	37.8750	40.8333	44.8333	55.2083
Pine boards, white.....M. feet.	37.0000	44.0833	57.5000	80.0000	—c—
Shingles, white pine.....M.	2.3750	3.8117	4.0000	33.6500	—c—
Doors, pine.....each.	1.8750	1.3750	1.5000	1.7292	1.8842
Lime, common.....bbl.	.8875	.9792	.6833	.7875	.9492
Brick, common domestic.....M.	7.0000	6.5625	5.2500	5.9363	6.1563
Cement Rosendale.....bbl.	1.0500	1.0512	1.0167	.8896	.96
Rope, manila.....lb.	.1250	.1494	.1320	b. 1.146	.1290
Putty.....lb.	.0306	.0175	.0190	.0140	.0130
Carbonate of lead in oil.....lb.	.0770	.0338	.0625	.0615	.0697
Turpentine, spirits of.....gal.	.3800	.4080	.4771	.5715	.6341
Shingles, cypress, d.....M.		3.35	2.85	2.5667	4.2250
<b>Drugs and chemicals:</b>					
Alcohol.....gal.	2.1025	2.0717	2.3867	2.3958	2.5229
Brimstone, crude.....ton.	27.7500	21.1458	21.1458	22.3333	21.4983
Glycerin, refined.....lb.	.1925	.1767	.1515	.1446	.1383
Linseed oil, domestic, raw.....gal.	.7025	.6153	.6292	.4167	.4312
Opium, natural (cases).....lb.	6.6875	2.6208	3.2000	3.0813	4.9458
Quinine.....oz.	2.9500	.3275	.3325	.2325	.1775
Sulphuric acid.....lb.	.0100	.0088	.0120	.0127	.0100
<b>Furniture:</b>					
Chairs, bedroom, maple.....doz.	8.000	7.000	8.000	7.917	10.0000
Chairs, kitchen.....doz.	4.5000	4.2000	5.2080	5.0000	5.7917
Tables, kitchen.....doz.	15.000	15.600	15.600	15.600	18.00
<b>Glassware:</b>					
Tumblers, ½ pint.....doz.		.1800	.1800	.1767	.1500
Pails, wooden.....doz.	1.4500	1.5717	1.4917	1.5875	1.9708
Tubs, wooden.....nest of 3.	1.4000	1.6500	1.4417	1.4500	1.60
<b>Miscellaneous</b>					
Rubber, Para.....lb.	.8500	.8379	.9817	.9054	1.0633

a Michigan white pine 16 inches long, XXXX.      b 7-16 inch.      c Not stated.  
d Prices at Southern mills.

The attitude of the government toward combinations of capital for the reduction in the cost of production should be exactly the same as toward the combinations of labor for the purpose of bettering the conditions of the wage-worker and of increasing his share of the joint profit of capital and labor. They are both to be encouraged in every way so long as they conduct themselves within the law.—Hon. Wm. H. Taft, at Columbus, Ohio.

**FOREIGN COMMERCE UNDER THE McKINLEY, WILSON AND  
DINGLEY TARIFF LAWS.**

*Values of Imports and Exports of Merchandise under the  
McKinley Tariff Act.*

	Imports.	Exports domestic and foreign.
October 1, 1890, to September 30, 1891.....	\$324,716,842	\$923,362,015
October 1, 1891, to September 30, 1892.....	837,290,798	998,226,775
October 1, 1892, to September 30, 1893.....	830,150,818	876,332,434
October 1, 1893, to August 31, 1894a.....	603,865,896	790,708,509

a Eleven months.

*Values of Imports and Exports of Merchandise under the  
Wilson Tariff Act.*

September 1, 1894, to August 31, 1895.....	\$759,108,416	\$806,670,050
September 1, 1895, to July 31, 1896.....	687,675,637	837,802,519
August 1, 1896, to July 31, 1897.....	766,296,619	1,061,379,735

*Values of Imports and Exports of Merchandise under the  
Dingley Tariff Act.*

August 1, 1897, to July 31, 1898.....	\$613,359,276	\$1,232,903,411
August 1, 1898, to July 31, 1899.....	706,265,852	1,249,424,423
August 1, 1899, to July 31, 1900.....	353,499,132	1,400,009,719
August 1, 1900, to July 31, 1901.....	832,591,908	1,496,764,694
August 1, 1901, to July 31, 1902.....	909,386,387	1,361,057,513
August 1, 1902, to July 31, 1903.....	1,028,759,186	1,423,164,317
August 1, 1903, to July 31, 1904.....	980,003,491	1,454,237,485
August 1, 1904, to July 31, 1905.....	1,130,831,731	1,541,268,606
August 1, 1905, to July 31, 1906.....	1,244,642,289	1,747,627,353
August 1, 1906, to July 31, 1907.....	1,456,450,839	1,897,707,339
August 1, 1907, to June 30, 1908.....	1,069,719,899	1,732,223,811

*Excess of Exports of Merchandise under McKinley Act.*

	Merchandise.
October 1, 1890, to September 30, 1891.....	\$98,645,173
October 1, 1891, to September 30, 1892.....	160,945,977
October 1, 1892, to September 30, 1893.....	46,182,116
October 1, 1893, to August 31, 1894.....	186,840,613

*Excess of Exports of Merchandise under Wilson Act.*

September 1, 1894, to August 31, 1895.....	\$47,561,634
September 1, 1895, to July 31, 1896.....	150,106,882
August 1, 1896, to July 31, 1897.....	288,088,116

*Excess of Exports of Merchandise under Dingley Act.*

August 1, 1897, to July 31, 1898.....	\$619,544,135
August 1, 1898, to July 31, 1899.....	543,158,571
August 1, 1899, to July 31, 1900.....	546,510,587
August 1, 1900, to July 31, 1901.....	664,169,786
August 1, 1901, to July 31, 1902.....	451,671,131
August 1, 1902, to July 31, 1903.....	394,405,131
August 1, 1903, to July 31, 1904.....	474,143,994
August 1, 1904, to July 31, 1905.....	410,436,874
August 1, 1905, to July 31, 1906.....	502,985,061
August 1, 1906, to July 31, 1907.....	441,256,479
August 1, 1907, to June 30, 1908.....	662,503,912

*Annual Average Excess of Exports of Merchandise.*

Under McKinley Act of 1890.....	\$123,152,477
Under Wilson Act of 1894.....	151,371,92
Under Dingley Act of 1897.....	519,189.2

*Table of Annual Averages of National Financial and Industrial Conditions during the administrations of Presidents Cleveland, McKinley, and Roosevelt.*

[Annual average for periods named.]

[Compiled from the Statistical Abstract of the United States.]

	1893-1896	1897-1900	1901-1903	1904-1907
Interest-bearing debt, million dollars	696	941	944	895
Annual interest charge	27.9	37.5	27.6	23.3
Annual interest per capita	\$0.41	\$0.48	\$0.35	\$0.28
Treasury receipts, net ordinary, millions	331	459	570	586
Government expenditures, ordinary, millions	385	475	496	574
Money in circulation, millions	1,592	1,859	2,264	2,651
Money in circulation, per capita	\$23.29	\$25.13	\$28.61	\$31.60
Bank clearings, total, millions	51,700	73,300	114,900	138,823
Bank clearings, New York, millions	29,066	45,131	74,202	87,655
Bank deposits, total, millions	4,757	6,223	9,133	11,667
Bank deposits, savings, millions	1,813	2,189	2,760	3,374
Depositors in savings banks, millions	4.9	5.6	6.8	7.9
Industrial life insurance in force, millions	793	1,217	1,723	2,299
Life insurance, total, in force, millions	5,635	7,394	10,051	13,206
Imports, total, millions	758	732	917	1,192
Exports, total, millions	856	1,251	1,430	1,651
Excess of exports over imports, millions	98	519	513	459
Exports of manufactures, millions	211	275	462	640
Imports of raw materials for manufacturing, millions	179	218	294	400
Gold: Excess imports over exports, millions	*50	50	4.5	99
Exports to Asia and Oceania, millions	34	79	93	132
Crude rubber imports, lbs., millions	38	45	53	67
Pig tin imports, lbs., millions	42	63	80	98
Tin plate imports, lbs., millions	404	164	142	138
Coal, tons, millions	165	210	270	336
Pig iron, tons, millions	7.96	12.21	17.27	22.64
Steel rails, tons, millions	1.27	1.75	2.73	3.15
Steel, total tons, millions	4.96	9.23	14.21	29.09
Tin plate, manufactured, lbs., millions	226	698	857	1,141
Minerals, total value, millions	575	731	1,319	1,629
Cotton, total value, millions	266	300	334	554
Beet sugar, 1,000 tons	26	54	170	320
Wool, lbs., millions	271	273	302	296
Raw silk, imports, lbs., millions	8.02	11.09	13.30	18.79
Cotton used in manufacturing, bales, millions	2.51	3.38	3.85	4.71
Animals on farms, total value, millions	2,050	1,942	3,034	3,536
Horses on farms, total value, millions	709	512	1,005	1,606
Cattle on farms, total value, millions	879	1,060	1,325	1,374
Sheep on farms, total value, millions	87	97	161	180
Net earnings of railways, millions	33	416	540	705
Dividends paid by railways, millions	83	107	168	227
Passengers carried, millions	558	535	650	760
Freight carried 1 mile, billion tons	89	100	135	158
Railways placed under receivership, miles	11,474	1,697	193	1,214
Railways sold under foreclosure, miles	7,951	5,125	795	395
Railways built, miles	1,900	2,891	4,439	5,100
Average receipts per ton mile	\$0.85	\$0.76	\$0.75	\$0.78
Tonnage of vessels passing through Sault Ste. Marie Canal, millions	14	20	28	36
Failures, liabilities of, millions	280	128	128	141
Post office receipts, millions	77	92	122	162
Wheat, average price of, per bushel	\$0.70	87.6	83.1	99.1
Corn, per bushel	44.4	39.0	45.5	59.7
Oats, per bushel	31.3	27.5	40.8	41.1
Homestead entries, number	6,174	6,328	14,241	12,944

\*Excess exports.

*The general tariff policy to which, without regard to changes in detail, I believe this country to be irrevocably committed is fundamentally based upon ample recognition of the difference in labor cost here and abroad.—President Roosevelt at New York, November 11, 1902.*



*Value of exports of principal farm products from the United States under three tariffs.*

[Compiled from reports of Bureau of Statistics.]

	McKinley law, fiscal year 1894.	Wilson law, calendar year 1895.	Dingley law, fiscal year 1899.	Dingley law, 1907.
Cotton	\$210,869,289	\$189,890,645	\$210,089,576	\$481,277,797
Breadstuffs (all)	166,777,229	125,266,871	273,909,699	184,120,702
Meat and dairy products (all)	145,270,643	132,456,827	175,508,608	202,392,508
Flour	69,271,770	50,292,886	73,093,870	82,175,397
Wheat	59,407,041	40,898,547	104,269,169	60,214,388
Lard	40,089,809	37,348,753	42,208,465	57,497,980
Bacon	38,338,343	37,411,944	41,557,067	26,470,972
Animals (all)	35,712,641	33,791,114	37,880,916	41,203,080
Cattle	33,461,922	26,997,701	30,516,883	34,577,392
Corn	30,211,151	27,907,766	68,977,448	44,261,816
Beef	25,493,699	25,741,709	29,720,258	31,831,263
Oil cake	8,807,256	7,851,246	14,548,765	26,415,627
Seeds	7,942,221	1,983,894	5,079,396	10,094,609
Cheese	7,180,331	3,401,117	3,316,049	2,012,626
Pork	5,159,868	4,430,155	10,639,727	16,598,404
Clover seed	4,540,851	1,126,618	1,264,922	420,104
Hides	3,972,494	2,835,947	929,117	1,760,032
Hops	3,844,232	1,745,945	3,626,144	3,531,972
Tallow	2,766,161	1,207,350	4,367,356	7,182,698
Flaxseed	2,426,284	31,076	2,815,449	7,990,363
Barley	2,379,714	1,485,088	1,375,274	4,556,295
Sugar and molasses	1,718,663	1,300,993	2,350,718	3,179,619
Oats	2,027,934	599,835	9,787,540	1,670,831
Vegetables	1,744,462	1,557,483	2,799,400	4,007,833
Hay	890,654	701,316	858,992	976,287
Broom corn	210,742	179,856	185,902	268,812
Rye	126,532	724	5,936,078	562,016
Tobacco, unmf'd.	24,085,234	24,707,568	25,467,218	33,377,398
Fruits and nuts	2,424,239	5,450,878	7,897,485	17,588,432
Cotton seed oil	6,008,405	6,429,828	12,077,519	17,074,403

*Conditions in States carried by McKinley and Bryan, respectively, in 1900.*

	McKinley States.		Bryan States.	
		Per cent of total.		Per cent of total.
Area square miles	1,380,760	51.8	1,264,200	48.2
Population	49,890,585	66.2	25,216,640	33.8
Illiterate native white population 10 years old and over	569,434	3	1,270,048	69
School expenditures in 1900	\$189,246,785	85	\$33,512,434	15
Assessed value of real estate	\$21,598,538,004	84.1	\$4,076,900,371	15.9
Assessed value of personal property	12,608,680,997	77	\$3,789,316,055	23
Value of farm lands, including buildings, etc.	36,036,998,020	74	\$2,122,040,651	26
Value of farm products 1899	\$3,137,963,575	67.8	\$1,487,964,093	32.2
Total value of manufactures in 1900	11,274,824,602	87.2	\$1,649,647,187	12.8
Wages and salaries paid in manufacturing in 1900	\$2,392,173,372	88.3	\$317,067,517	11.7
Value of product of mines, oil and gas wells, etc.	\$916,581,477	79.2	\$161,853,006	20.8
Savings banks deposits in 1900	\$2,436,212,780	99.5	\$12,913,792	0.5
Number of depositors in savings banks	5,826,969	98.9	67,762	1.1

Neither our nation nor any other can stand the ruinous policy of readjusting its business to radical changes in the tariff at short intervals.—President Roosevelt at Logansport, Ind., September 23, 1902.

Every one who knows anything about the management of railroads knows that there has been a revolution in respect to their obedience to the law. No longer are special privileges granted to the few—no longer are secret rebates extended to build up the monopoly of the trusts. The railroads are operating within the law, and the railroad directors and officers and stockholders ought to rise up and call blessed the men who are responsible for the passage of the Rate bill.—Hon. Wm. H. Taft, at Kansas City, Mo.

*Live stock and dressed meats, Chicago to New-York—Average freight rates, in cents, per 100 pounds.*

Year.	Cattle.	Hogs.	Sheep	Horses and mules.	Dressed beef.	Dressed hogs.	
						Refrigerator cars.	Common cars.
1880	55	43	65	60	58		
1881	35	31	61	60	56		
1882	36	29	53	60	57		
1883	40	32	50	60	64		
1884	31	28	44	60	51		
1885	31	26	43	60	54		
1886	33	30	42	60	61		
1887	33	32	40	60	62	59	54
1888	22	26	31	60	46	46	44
1889	25	30	30	60	47	47	45
1890	23	28	30	60	39	39	39
1891	27	30	30	60	45	45	45
1892	28	28	30	60	45	45	45
1893	28	20	30	60	45	45	45
1894	28	30	30	60	45	45	45
1895	28	30	30	60	45	45	45
1896	28	30	30	60	45	45	45
1897	28	30	30	60	45	45	45
1898	28	30	30	60	45	45	45
1899	25	25	25	60	40	40	40
1900	28	30	30	60	45	45	45
1901	28	30	30	60	42.9	42.9	42.9
1902	28	30	30	60	41.2	41.2	41.2
1903	28	30	30	60	45	45	45
1904	28	30	30	60	45	45	45
1905	28	30	30	60	45	45	45
1906	28	30	30	60	45	45	45
1907	28	30	30	60	45	45	45

*Relative conditions of prosperity in the manufacturing and non-manufacturing sections of the United States, respectively.\**

[From Census of 1900.]

	Manufacturing section.	Other States.
Per cent of total population of United States.....	50.9	49.1
Per cent of total area of United States.....	14.1	85.9
Gross value of manufactures in 1900.....	\$10,021,718,461	\$2,988,318,053
Per cent of total manufactures produced in section.....	77	23
Salaries and wages paid in manufactures in 1900.....	\$2,194,936,683	\$536,471,656
Number of persons employed in manufactures in 1900.....	4,437,714	1,273,917
Average value per acre of all farm lands.....	\$24.07	\$12.78
Average value per acre of all lands and buildings.....	\$32.50	\$14.85
Average value per acre of land (improved only) and buildings.....	\$58.60	\$31.65
Average value of buildings per improved acre.....	\$15.25	\$5.54
Average value of implements owned per improved acre.....	\$2.54	\$1.47
Average value per head of milch cows.....	\$33.62	\$27.46
Average value per head of horses.....	\$60.87	\$43.32
Average value of all farm products, per improved acre.....	\$141.00	\$101.40
Average value of farm products, per person engaged.....	\$619.25	\$394.50
Deposits in savings banks, total.....	\$2,200,439,838	\$249,108,047
Deposits in savings banks, per capita.....	\$56.90	\$6.67
Deposits in all banks, total.....	\$5,949,984,815	\$1,384,666,395
Deposits in all banks, per capita.....	\$153.80	\$37.10
Bank clearings, total.....	\$76,356,970,422	\$8,225,479,659
Bank clearings, average per capita.....	\$1,973.50	\$220.40
Banking resources, total.....	\$8,613,200,000	\$2,167,500,000
Banking resources, average per capita.....	\$222.65	\$58.10
Real and personal property, assessed valuation.....	\$23,445,809,898	\$10,388,667,238
Real and personal property, per capita.....	\$606.25	\$278.50
Salaries paid teachers in public schools.....	\$85,281,961	\$52,462,785
Newspapers published, number.....	9,161	9,075
Newspapers, aggregate circulation.....	6,168,125,616	2,000,023,123

\*Manufacturing section includes area north of the Potomac and Ohio and east of the Mississippi, viz., the New England and Middle States, and Maryland, District of Columbia, Ohio, Indiana, Illinois, Michigan, and Wisconsin.

*Progress of manufactures in the United States—Comparative Summary, 1850 to 1905, with per cent of increase for each decade.*

[From the United States Census Report on Manufactures.]

	Date of Census.					1905.	Per cent of Increase.							
	1850.	1860.	1870.	1880.	1890.		1850	1860	1870	1880	1890	1900	to to	1905
Number of establishments.....	123,025	140,433	252,145	253,852	355,475	512,254	14.1	70.6	0.7	40.0	44.1	4.2		
Capital.....	\$533,245,351	\$1,096,855,715	\$2,118,296,769	\$2,790,272,606	\$6,595,156,496	\$13,872,035,371	80.4	109.8	31.7	133.9	50.5	41.3		
Salaried officials, clerks, etc., number.....	(3)	(3)	(3)	(3)	\$391,968,208**	\$609,290,251	37.0	56.6	33.0	55.6	24.9	15.9		
Salaries.....	957,059	1,311,246	2,698,996	2,782,595	4,251,613	6,152,443	60.0	104.7	22.2	99.5	22.8	29.8		
Wage-earners, average number.....	\$236,755,464	\$378,878,966	\$775,584,313	\$947,953,795	\$1,891,228,321	\$3,014,389,872	42.3	55.3	25.0	64.8	23.5	16.6		
Total wages.....	731,137	1,040,349	1,615,598	2,019,095	3,327,042	4,792,874	19.9	19.5	64.2	51.2	28.1	16.0		
Men, 16 years and over.....	(3)	(3)	(3)	(3)	\$1,659,234,453	\$2,016,677,789	107.0	107.0	58.7	33.6(4)	39.5	0.9		
Wages, 16 years and over.....	2,325,922	270,397	323,770	531,639	803,696	1,029,296	167.0	167.0	58.7	33.6(4)	39.5	0.9		
Women, 16 years and over.....	(3)	(3)	(3)	(3)	\$275,367,976	\$279,994,396	107.0	107.0	58.7	33.6(4)	39.5	0.9		
Wages, under 16 years.....	(3)	(3)	(3)	(3)	120,855	198,593	65.0	65.0	58.7	33.6(4)	39.5	0.9		
Children.....	(3)	(3)	(3)	(3)	\$16,625,862	\$25,661,692	54.3	54.3	58.7	33.6(4)	39.5	0.9		
Wages on officials used.....	(5)	(5)	(5)	(5)	\$631,225,085	\$1,027,775,778	56.8	141.2	56.5	52.0	42.3	29.3		
Miscellaneous products including cost of products used.....	\$555,123,822	\$1,031,905,092	\$2,488,427,242	\$3,396,823,549	\$5,162,044,076	\$7,345,413,651	85.1	124.4	26.9	74.5	33.8	29.7		
Cost of work and repairing.....	\$1,019,106,616	\$1,895,861,676	\$4,232,325,442	\$5,369,579,191	\$9,372,437,283	\$16,866,706,935								
Value of work and repairing.....														

for comparative purposes, 85 governmental establishments in the District of Columbia having products valued at \$9,887,355, the statistics of such establishments includes being separable. Totals for 1900 and 1905 are exclusive of statistics for governmental establishments and for Hawaii.

1900 and 1905 are exclusive of statistics for governmental establishments and for Hawaii.

for 1900 and 1905 are exclusive of statistics for governmental establishments and for Hawaii.

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*Progress of manufacturing in the United States, 1850 to 1905.*

[From official reports of the Census Office.]

Years.	Number of establishments.	Average number of wage earners.	Wages paid.	Value of product.
1850	123,025	957,059	\$236,785,461	\$1,019,106,616
1860	140,433	1,311,216	378,878,966	1,885,831,676
1870	252,148	2,053,996	775,584,343	4,232,325,442
1880	253,852	2,732,595	947,063,795	5,339,579,191
1890	355,415	4,251,613	1,891,228,321	9,372,437,283
1900*	512,254	5,308,406	2,322,333,877	13,004,400,143
1905*	533,769	6,157,751	3,016,711,706	16,966,706,985

\* Exclusive of statistics for governmental establishments and for Hawaii. Figures for 1905 include neighborhood industries and hand trades, estimated by Census Office at two billions of dollars.

*Production of principal groups of manufactures in the year 1905.*

Food and kindred products.....	\$2,845,234,900
Iron and steel and their products.....	2,176,799,726
Textiles.....	2,147,441,418
Lumber and its manufactures.....	1,223,780,336
Miscellaneous industries.....	941,004,873
Metals, other than iron and steel.....	922,262,456
Paper and printing.....	557,112,256
Leather and its finished products.....	705,747,470
Chemicals and allied products.....	1,031,995,263
Vehicles for land transportation.....	643,924,442
Liquors and beverages.....	501,266,005
Clay, glass, and stone products.....	391,230,422
Tobacco.....	331,117,681
Shipbuilding.....	82,769,239

The manufacturing industries gave employment in 1905 to 6,157,751 wage-earners, earning \$3,016,711,706; 533,769 officials and clerks earning \$609,200,251 in 533,769 establishments.

*Production and average prices of middling cotton, and prices of the staple manufactures of cotton, in the New York market each year, from 1880 to 1907.*

[From the Statistical Abstract.]

Calendar Year	Total commercial crop. a	Middling cotton per pound. b	Standardsheetings, per yard.	Standard drillings, per yard. a	New York Mills bleached sheetings, per yard.	Standard prints, per yard.	6-4 by 6-4 printing cloth, per yard
	Bales	Cents	Cents	Cents	Cents	Cents	Cents
1880	5,761,000	11.51	8.51	8.51	12.74	7.41	4.51
1881	6,606,000	12.03	8.51	8.06	12.74	7.00	3.95
1882	5,456,000	11.56	8.45	8.25	12.95	6.50	3.76
1883	6,950,000	11.88	8.32	7.11	12.93	6.00	3.60
1884	5,713,000	10.85	7.23	6.86	10.46	6.00	3.36
1885	5,706,000	10.45	6.75	6.36	10.37	6.00	3.12
1886	6,575,000	9.28	6.75	6.25	10.65	6.00	3.31
1887	6,499,000	10.21	7.15	6.58	10.88	6.00	3.33
1888	7,047,000	10.03	7.25	6.75	10.94	6.50	3.81
1889	6,939,000	10.65	7.00	6.75	10.50	6.50	3.81
1890	7,297,000	11.07	7.00	6.75	10.90	6.00	3.34
1891	8,674,000	8.60	6.83	6.41	10.64	6.00	2.95
1892	9,018,000	7.71	6.50	5.60	10.25	6.25	3.39
1893	6,664,000	8.56	5.90	5.72	9.75	5.25	3.30
1894	7,532,000	6.94	5.11	5.07	9.50	4.90	2.75
1895	9,837,000	7.44	5.74	5.69	9.85	5.25	2.86
1896	7,147,000	7.93	5.45	5.48	9.50	4.66	2.69
1897	8,703,000	7.00	4.73	4.75	9.25	4.70	2.48
1898	11,216,000	5.94	4.20	4.10	8.00	3.93	2.06
1899	11,253,000	6.88	5.28	5.13	9.50	4.25	2.69
1900	9,422,000	9.25	6.05	5.95	10.75	5.00	3.21
1901	10,331,000	8.75	5.54	5.48	10.25	4.62	2.84
1902	10,768,000	9.00	5.48	5.52	10.50	5.00	3.11
1903	10,674,000	11.18	6.25	6.37	10.75	5.00	3.25
1904	10,002,000	11.75	7.13	7.31	10.50	5.00	3.44
1905	13,651,000	9.80	7.00	7.00	9.00	4.75	3.13
1906	11,231,000	11.50	7.25	7.37	10.93	5.12	3.63
1907	13,540,000	12.10	7.62	7.62	13.00	6.00	4.62

a Years ending August 31. Compiled by Mr. A. B. Shepperson, of New York.  
 b Including 1881 and since, the price of standard drillings are net; raw cotton prices are also net for the entire period.



## Import prices.

[Represents prices in foreign countries.]

Articles.	March—					
	1897.	1898.	1900.	1904.	1906.	1917.
Chemicals, drugs, etc.:						
Bark, cinchona, etc. lb.	\$0.043	\$0.096	\$0.193	\$0.152	\$0.085	\$0.129
Gums: Camphor, crude lb.	.239	.171	.294	.337	.360	.449
Potash, nitrate of lb.	.020	.022	.027	.027	.033	.029
Quinia, sulphate of, etc. oz.	.152	.227	.328	.232	.134	.217
Sumac, ground lb.	.015	.016	.023	.015	.015	.024
Cotton, raw	.112	.092	.136	.189	.151	.207
Manufactures of: Cloth, not bleached sq. yd.	.089	.076	.094	.112	.123	.115
Fertilizers: Phosphates, crude ton		2.46	5.08	6.21	5.90	10.75
Fibers, vegetable, etc.:						
Flax ton	219.54	295.66	296.18	258.76	278.79	265.80
Hemp ton	126.00	138.41	133.65	150.42	176.80	174.55
Isle or tampico fiber ton	49.95	49.71	79.80	91.00	89.71	101.17
Jute ton	29.82	24.93	33.59	48.37	64.25	81.34
Manila ton	79.67	60.64	135.84	200.72	183.88	213.71
Sisal grass ton	59.85	84.47	160.23	155.91	148.70	144.07
Manufactures of: Cables, cordage, etc. lb.	.187	.295	.817	.615	.285	.308
Hides and skins, other than fur skins:						
Goatskins lb.	.220	.231	.272	.273	.300	.329
All other, except hides of cattle lb.	.108	.152	.174	.152	.182	.237
Hides of cattle lb.		.117	.130	.133	.146	.155
India rubber lb.	.504	.536	.660	.695	.766	.759
Iron and steel and manufactures of:						
Pig iron ton	22.90	25.80	36.21	17.47	28.81	28.04
Tin plates,terne plates, etc. lb.	.023	.022	.035	.027	.030	.034
Wire, and articles made from lb.	.051	.087	.091	.070	.081	.065
Silk, raw lb.	2.87	3.26	4.63	3.45	3.25	4.53
Sugar: Not above No. 16						
Beet lb.	.017		.021	.0151		
Cane and other lb.	.020	.022	.027	.0191	.0202	.0207
Above No. 16 lb.	.024	.024	.027	.031	.032	.038
Tin in bars, blocks, pigs, etc. lb.	.128	.135	.254	.273	.342	.411
Wood: Boards, planks, etc. M ft.	10.27	9.99	12.04	15.59	17.23	18.56
Wool: Class 1—clothing lb.	.171	.169	.239	.188	.243	.255
Class 2—combing lb.	.200	.231	.212	.206	.288	.303
Class 3—carpet lb.	.111	.093	.097	.114	.133	.142
Manufactures of: Cloths lb.	.567	.869	1.22	1.01	1.09	1.09
Zinc or spelter: in blocks, pigs and old lb.	.033	.039	.053	.052	.036	.083

\*Includes thread and twine.

The well-being of the wage-worker is a prime consideration of our entire policy of economic legislation.—President Roosevelt's Annual Message, Fifty-seventh Congress, first session.

The present business system of the country rests on the protective tariff and any attempt to change it to a free trade basis will certainly lead to disaster.—Hon. Wm. H. Taft, at Columbus, Ohio.

To increase production here, diversify our productive enterprises, enlarge the field and increase the demand for American workmen; what American can oppose these worthy and patriotic objects?—McKinley.

Let us keep steady heads and steady hearts. The country is not going backward, but forward. American energy has not been destroyed by the storms of the past.—President McKinley before Manufacturers' Club, Philadelphia, June 2, 1897.

It is not safe for the body politic that the power arising from the management of enormous or swollen fortunes should be continued from generation to generation in the hands of a few, and efforts by law, which are not confiscatory, to divide these fortunes and to reduce the motive for accumulating them are proper and statesmanlike and without the slightest savor of socialism or anarchy.—Hon. Wm. H. Taft, at Columbus, Ohio.

*Total values of imports entered for consumption and duties collected thereon from 1876 to 1907.*

[From Statistical Abstract.]

Year ending June 30—	Total	Per cent of free.	Amounts of duty collected.	Average ad valorem rates of duty on—		Duty collected per capita.	Imports per capita.
				Dutiable	Free and dutiable		
	Dollars.		Dollars.	Per cent.	Per cent.	Dollars.	Dollars.
1877	439,829,389	32.02	128,428,343	42.89	26.68	2.77	9.49
1878	438,422,468	32.24	127,195,159	42.75	27.13	2.67	9.21
1879	430,292,374	32.45	133,395,436	44.87	28.97	2.73	8.90
1880	627,555,271	33.15	182,747,654	43.48	29.07	3.61	12.51
1881	650,618,999	31.13	193,800,880	43.20	29.75	3.78	12.68
1882	716,218,948	29.42	216,138,916	42.66	30.11	4.12	13.61
1883	700,829,673	29.52	210,637,293	42.45	29.92	3.92	13.05
1884	667,575,389	31.15	190,282,836	41.61	28.44	3.47	12.16
1885	579,580,054	33.28	178,151,601	45.86	30.59	3.17	10.32
1886	625,308,814	33.83	189,410,448	45.55	30.13	3.30	10.89
1887	683,418,981	34.11	214,222,310	47.10	31.02	3.65	11.65
1888	712,248,626	34.27	216,042,256	45.63	29.99	3.60	11.88
1889	741,431,398	34.61	220,576,989	45.13	29.50	3.60	12.10
1890	773,674,812	34.89	226,540,037	44.41	29.12	3.62	12.35
1891	854,519,577	45.41	216,885,701	46.28	25.25	3.40	13.38
1892	813,601,345	56.30	174,124,270	48.71	21.26	2.68	12.50
1893	844,454,583	52.60	199,143,678	49.58	23.49	3.00	12.73
1894	636,614,420	59.53	129,558,892	50.06	20.25	1.92	9.41
1895	731,162,090	51.55	149,450,608	41.75	20.23	2.17	10.61
1896	759,694,084	48.56	157,013,506	39.95	20.67	2.23	10.81
1897	789,251,030	48.30	172,760,361	42.17	21.89	2.41	11.02
1898	587,153,700	49.65	145,438,385	48.89	24.77	1.99	8.05
1899	685,441,892	43.72	202,072,050	52.07	29.48	2.72	9.22
1900	830,519,252	44.16	229,390,771	49.24	27.62	3.01	10.88
1901	807,763,301	41.98	233,556,110	49.64	28.91	3.01	10.58
1902	899,793,754	44.01	251,453,155	49.78	27.95	3.18	11.39
1903	1,007,960,110	43.38	280,752,416	49.03	27.85	3.49	12.54
1904	981,822,559	46.25	258,222,243	48.78	26.30	3.16	12.01
1905	1,087,118,133	47.56	258,426,295	45.24	23.77	3.11	13.08
1906	1,213,417,649	45.22	293,910,396	44.16	24.22	3.49	14.41
1907	1,415,402,285	45.35	329,480,048	42.55	23.28	3.81	16.49

Where possible, it is always better to mediate before the strike begins than to try to arbitrate when the fight is on and both sides have grown stubborn and bitter.—President Roosevelt at the Labor Day picnic, Chicago, Sept. 3, 1900.

The Republican party was dedicated to freedom forty-four years ago. It has been the party of liberty and emancipation from that hour; not of profession but of performance.—President McKinley, at Canton, July 12, 1900.

I think it would be entirely right in this class of cases, to amend the law and provide that no temporary restraining order should issue at all until after notice and a hearing. Then the court could be advised by both sides with reference to the exact situation, and the danger of issuing a writ too broad or of issuing a writ without good ground would generally be avoided.—Hon. Wm. H. Taft, at Cooper Union, New York City.

But the most gratifying feature of this picture of banking and financial conditions in our country is the fact that deposits in savings banks—those institutions for the safe-keeping of the earning of workingmen and widows and orphans and children of the country—have increased from \$550,000,000 in 1870 to \$3,500,000,000, in 1908. What say you business men of the future of a country whose workingmen and working women and children have three and a half billion dollars laid aside for a "rainy day."—O. P. Austin.

Efficient regulation is the very antidote and preventive of socialism and government ownership. The railroads, until now, have been permitted to wield without any real control the enormously important franchise of furnishing transportation to the entire country. In certain respects they have done a marvelous work and have afforded transportation at a cheaper rate per ton, per mile, and per passenger, than in any country in the world. They have, however, many of them, shamefully violated the trust obligation they have been under to the public of furnishing equal facilities at the same price to all shippers. They have been weighed in the balance and found wanting. The remedy for the evils must be radical to be effective. If it is not so, then we may certainly expect that the movement toward government ownership will become a formidable one that cannot be stayed.—Hon. Wm. H. Taft, at Columbus, Ohio.



*Merchandise imported into, exported from, and retained for consumption in the United States, and duty collected per capita, 1871 to 1907.*

[From the Statistical Abstract.]

Year.	Imports, per capita.		Exports of domestic merchandise.		Retained for consumption, per capita.			
	Merchandise imported for consumption, per capita.	Duty collected, per capita.	Exports, per capita.	Exports of products of manufacture, per cent of total exports.	Raw cotton.	Wheat and wheat flour.	Raw wool	
							Total per capita.	Foreign.
				P. cent.	Lbs.	Bush.	Lbs.	P. cent.
1871	\$12.65	\$5.12	\$10.83	20.96	14.10	4.69	5.73	29.4
1872	13.89	5.23	10.55	20.16	11.10	4.79	6.75	45.3
1873	15.91	4.44	12.12	20.01	15.19	4.81	5.67	33.2
1874	13.26	3.75	13.31	18.81	13.60	4.46	4.81	17.5
1875	11.97	3.51	11.36	20.42	11.90	5.38	5.28	22.1
1876	10.29	3.22	11.64	20.14	11.77	4.89	5.21	18.3
1877	9.49	2.77	12.72	24.45	14.03	5.01	5.16	16.3
1878	9.21	2.67	14.30	20.45	13.71	5.72	5.28	16.9
1879	8.90	2.73	14.29	19.10	15.90	5.58	5.03	14.2
1880	12.51	3.64	16.43	14.78	18.94	5.35	6.11	31.9
1881	12.68	3.78	17.23	15.30	19.64	6.09	5.66	17.3
1882	13.64	4.12	13.97	22.09	16.15	4.98	6.36	19.
1883	13.05	3.92	14.98	19.95	20.80	6.61	6.62	18.7
1884	12.16	3.47	13.20	21.51	16.30	5.64	6.85	20.6
1885*	10.32	3.17	12.94	20.67	15.16	6.77	6.69	18.0
1886*	10.89	3.30	11.60	21.87	19.59	4.57	7.39	28.9
1887*	11.65	3.65	11.98	21.21	16.81	5.17	6.68	27.4
1888*	11.88	3.60	11.40	22.53	19.59	5.62	6.31	28.9
1889	12.10	3.60	11.92	22.72	17.22	5.34	6.33	31.8
1890	12.45	3.62	13.50	21.18	18.50	6.09	6.03	27.0
1891	13.38	3.40	13.63	21.58	22.38	4.59	6.44	30.8
1892	12.50	2.68	15.61	18.02	24.58	5.94	6.75	33.1
1893†	12.73	3.00	12.08	21.57	17.84	4.89	7.10	35.7
1894†	9.41	1.92	12.85	23.33	16.45	3.44	5.13	14.2
1895†	10.61	2.17	11.51	25.84	22.75	4.59	7.39	40.0
1896†	10.81	2.23	12.29	29.89	18.67	4.85	6.98	45.9
1897†	11.02	2.41	14.42	30.15	18.77	3.95	8.40	57.8
1898	8.05	1.99	16.59	26.81	25.76	4.29	5.44	32.8
1899	9.22	2.72	16.29	31.59	27.87	6.00	4.51	19.2
1900	10.88	3.01	17.96	35.30	27.57	4.74	5.72	34.4
1901	10.58	3.03	18.81	31.88	25.94	3.95	5.18	24.9
1902	11.39	3.17	17.16	33.48	25.65	6.50	6.07	31.9
1903	12.54	3.49	17.32	33.61	24.64	5.81	5.74	37.8
1904	12.01	3.16	17.56	35.47	25.28	6.33	5.66	37.0
1905	13.08	3.11	17.94	40.98	33.07	6.15	6.52	45.5
1906	14.41	3.49	20.40	39.93	26.49	7.07	5.88	39.6
1907	16.49	3.84	21.60	39.92	29.53	6.86	5.81	40.0

The national credit is inseparably associated with our national growth and prosperity, and if you touch the latter with an unfriendly hand you will seriously injure the former.—Hon. W. McKinley, in House of Representatives, April 15, 1878.

It is probable that the stringency which reached its height on that dark day of October 24 might in part have been alleviated had we had a currency which could automatically enlarge itself to meet the tremendous demand of a day or a week or a month, while public confidence was being restored.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

It is easy and it often seems expedient to yield to the outcry of the hour; but what the thoughtful people of America demand of an official is that he shall set his face like flint against it if his conscience or his experience convinces him that it is a mistaken cry.—Hon. George B. Cortelyou, at Urbana, Illinois, June 7, 1905.

No party in the whole history of the country has ever taken more decided steps to restrain the abuses of irresponsible corporate wealth and power than has the Republican party, both in the executive and in the legislative branches of the Government during the last eight years. No party has ever shown greater independence of corporate control and corporate influence than the Republican majority in the House and Senate and the Executive.—Hon. Wm. H. Taft, at Greensboro, North Carolina.

*Imports and exports of the United States.*

Fiscal years.	Imports.	Exports.	Excess of imports.	Excess of exports.
1790	\$23,000,000	\$20,205,156	\$2,794,844	
1800	91,252,768	70,971,780	20,280,988	
1810	85,400,000	66,757,970	18,642,030	
1820	74,450,000	69,691,669	4,758,331	
1825	90,189,310	90,738,333		\$549,023
1830	62,720,958	71,670,735		8,949,779
1835	136,761,295	115,215,802	21,545,493	
1836	176,579,154	124,838,704	52,240,450	
1837	130,472,803	111,443,127	19,029,676	
1838	95,970,288	104,978,570		9,008,282
1839	156,496,956	112,251,673	44,245,283	
1840	98,258,705	123,668,932		25,410,226
1841	122,937,544	111,817,471	11,140,073	
1842	36,075,071	99,877,995		3,802,924
1843	42,433,464	82,825,689		40,392,225
1844	102,694,606	105,745,832		3,141,226
1845	113,181,322	106,040,111	7,144,211	
1846	117,914,065	109,583,248	8,330,817	
1847	122,424,349	156,741,598		34,317,249
1848	148,638,644	138,190,515	10,448,129	
1849	141,206,199	140,351,172	855,027	
1850	173,509,526	144,375,726	29,133,800	
1851	210,771,429	188,915,259	21,856,170	
1852	207,440,398	166,984,231	40,456,167	
1853	263,777,265	203,489,282	60,287,983	
1854	297,803,794	237,043,764	60,760,030	
1855	257,808,708	218,909,503	38,899,205	
1856	310,432,310	281,219,423	29,212,887	
1857	348,428,342	293,823,760	54,604,582	
1858	263,338,654	272,011,274		8,672,620
1859	231,333,341	292,902,051	38,431,290	
1860	353,616,119	333,576,057	20,040,062	
1861	289,310,542	219,553,833	69,756,709	
1862	189,356,677	190,670,501		1,313,824
1863	243,335,815	203,964,447	39,371,368	
1864	316,447,283	158,837,988	157,609,295	
1865	238,745,580	160,029,303	72,716,277	
1866	434,812,066	348,859,522	85,952,544	
1867	395,761,096	294,506,141	101,254,955	
1868	357,436,440	281,952,899	75,483,541	
1869	417,506,379	286,117,697	131,388,682	
1870	435,958,408	392,771,768	43,186,640	
1871	520,223,684	442,820,178	77,403,506	
1872	626,595,077	444,177,586	182,417,491	
1873	642,136,210	522,479,922	119,656,288	
1874	567,406,342	586,283,040		18,876,698
1875	533,005,436	513,442,711	19,562,725	
1876	460,741,190	540,384,671		79,643,481
1877	451,323,126	602,475,220		151,152,094
1878	437,051,532	694,865,766		257,814,234
1879	445,777,775	710,439,441		264,661,666
1880	667,954,746	835,638,658		167,683,912
1881	642,664,628	902,377,346		259,712,718
1882	724,639,574	750,542,257		25,902,683
1883	723,180,914	823,839,402		100,658,488
1884	667,697,693	740,513,609		72,815,916
1885	577,527,329	742,189,755		164,662,426
1886	635,486,136	679,524,830		44,038,694
1887	692,319,768	716,183,211		23,863,443
1888	723,957,114	695,954,507	28,002,607	
1889	745,131,652	742,401,375	2,730,277	
1890	789,310,400	857,828,681		68,518,275
1891	844,916,196	884,480,810		39,564,614
1892	827,402,462	1,030,278,148		202,875,686
1893	866,400,922	847,665,194	18,735,728	
1894	654,994,622	892,140,572		237,145,950
1895	731,069,965	807,538,195		75,568,200
1896	779,724,674	882,606,938		102,882,264
1897	764,730,412	1,050,903,556		286,263,144
1898	616,049,654	1,231,482,330		615,432,676
1899	607,148,489	1,227,023,302		529,874,813
1900	819,941,184	1,394,483,082		544,541,898
1901	823,172,165	1,487,764,991		664,592,826
1902	903,320,948	1,381,719,401		478,398,453
1903	1,025,719,237	1,420,141,679		394,422,442
1904	991,087,371	1,460,827,271		469,739,900
1905	1,117,513,071	1,518,561,666		401,048,595
1906	1,226,562,446	1,743,864,500		517,302,054
1907	1,434,421,425	1,890,851,073		446,429,653
1908a	1,185,900,000	1,859,000,000		674,000,000
*Total	\$40,233,847,823	\$46,320,439,955		\$6,092,592,132

\* The totals include the figures of all omitted years and are thus the totals of all years from 1789 to 1907.

a June, 1908, estimated.



*Receipts and expenditures in the United States.*

Fiscal years.	Net ordinary receipts	Net ordinary expenditures.	Excess receipts.	Excess of expenditures.
1800	\$10,848,749	\$10,813,971	\$34,778	
1810	9,384,214	8,474,753	909,461	
1820	17,840,670	18,285,535		\$444,865
1830	24,844,117	15,142,108	9,702,009	
1840	19,480,115	24,314,518		4,834,403
1850	43,592,889	40,948,383	2,644,506	
1861	52,557,039	47,751,478	4,805,561	
1852	49,846,816	44,390,252	5,456,564	
1853	51,587,062	47,743,989	13,843,073	
1854	73,800,341	55,038,455	18,761,886	
1855	85,350,575	58,630,663	6,719,912	
1856	74,056,699	68,726,350	5,330,349	
1857	86,965,313	67,634,409	1,330,904	
1858	46,655,366	73,982,493		27,327,127
1859	52,777,108	68,993,600		16,216,492
1860	56,054,600	63,200,376		7,146,276
1861	41,476,299	66,650,213		25,173,914
1862	51,919,261	469,570,242		417,650,981
1863	112,091,946	718,734,276		606,639,330
1864	243,412,971	864,969,101		621,556,130
1865	322,081,158	1,295,009,290		973,068,132
1866	519,949,564	519,022,356	927,208	
1867	462,846,680	346,729,326	116,117,354	
1868	376,434,454	370,339,134	6,095,320	
1869	357,188,256	321,190,598	35,997,658	
1870	305,959,834	293,657,005	102,302,829	
1871	374,431,105	283,160,394	91,270,711	
1872	384,694,230	270,559,696	94,134,534	
1873	322,177,674	285,239,325	36,938,349	
1874	299,941,091	301,238,800		1,297,709
1875	284,020,771	274,623,393	9,397,378	
1876	290,068,585	265,101,085	24,965,500	
1877	281,000,642	241,334,475	39,666,167	
1878	257,446,776	236,964,327	20,482,449	
1879	272,322,187	266,947,584	5,374,253	
1880	333,526,501	264,847,637	68,678,864	
1881	380,782,293	259,651,639	101,130,654	
1882	408,525,250	257,981,440	145,543,810	
1883	393,287,582	265,408,138	132,879,444	
1884	318,519,870	214,126,244	104,393,626	
1885	323,690,706	260,226,935	63,463,776	
1886	336,439,727	242,483,139	93,956,588	
1887	371,403,278	267,932,180	103,471,098	
1888	379,266,075	259,653,959	119,612,116	
1889	387,050,059	231,996,616	105,053,443	
1890	403,080,983	297,736,487	105,344,496	
1891	392,612,447	355,372,685	37,239,762	
1892	354,937,784	345,023,331	9,914,453	
1893	385,818,629	383,477,954	2,341,675	
1894	297,722,019	367,525,280		69,803,261
1895	313,390,075	356,195,298		42,805,223
1896	326,976,200	352,179,446		25,203,246
1897	317,721,705	365,774,160		18,052,455
1898	405,321,335	443,368,583		38,047,248
1899	515,690,620	605,072,180		89,111,560
1900	547,240,862	487,712,792	79,527,070	
1901	537,685,338	509,937,353	77,717,985	
1902	562,478,233	471,190,858	91,287,375	
1903	560,396,674	506,099,007	54,297,667	
1904	540,631,749	582,402,321		41,770,572
1905	544,274,685	567,278,013		23,004,228
1906	594,454,122	568,784,790	25,669,332	
1907	603,140,334	578,903,748	84,236,586	
1908	599,895,763	650,552,125		50,656,362

Note.—Net ordinary receipts include receipts from customs, internal revenue, direct tax, public lands, and "miscellaneous," but do not include receipts from loans, premiums, or treasury notes, or revenues of Post Office Department. Net ordinary expenses include expenditures for War, Navy, Indians, pensions, payments for interest, and "miscellaneous," but do not include premiums, principal or public debt, or expenditures for postal service paid from revenues thereof.

In the enormous production of wealth, in the heretofore unheard of prosperity, it was inevitable that abuses should creep in and that in the absence of publicity some of the men enjoying irresponsible power should yield to the temptations of cupidity and ignore the sacred character of the trust relation. But there has been a house-cleaning and the Republican party has exerted every effort to destroy any further opportunity for such abuses and to prevent recurrence of them—Hon Wm. H. Taft, at Greensboro, N. Carolina.





## Government finance, per capita.

Year.	Population June 1.	Government finance, per capita.						
		Amou't of money in the United States July 1.	Money in cir- cu- la- tion July 1.	Debt less cash in Treas- ury, July 1.	Year ending June 30.			
					Inter- est on public debt.	Net re- venue.	Net ex- penses.	Dis- burse- ments for pen- sions.
		Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.	Dolls.
1871	39,555,000	18.75	18.10	56.81	2.83	9.69	7.39	0.84
1872	40,596,000	18.79	18.19	52.96	2.56	9.22	6.84	.74
1873	41,677,000	18.58	18.04	50.52	2.35	8.01	6.97	.70
1874	42,796,000	18.83	18.13	49.17	2.31	7.13	7.07	.71
1875	43,951,000	18.16	17.16	47.53	2.20	6.55	6.25	.68
1876	45,137,000	17.52	16.12	45.66	2.11	6.52	5.87	.63
1877	46,353,000	16.46	15.58	43.56	2.01	6.07	5.21	.62
1878	47,508,000	16.59	15.32	41.01	1.90	5.42	4.98	.56
1879	48,866,000	21.15	16.75	40.85	1.71	5.60	5.46	.89
1880	50,155,783	23.64	19.41	38.27	1.59	6.65	5.34	1.14
1881	51,316,000	26.30	21.71	35.46	1.46	7.00	5.08	.98
1882	52,495,000	26.85	22.37	31.91	1.09	7.68	4.91	1.03
1883	53,693,000	27.42	22.91	28.66	.96	7.41	4.94	1.13
1884	54,911,000	27.08	22.65	26.20	.87	6.36	4.44	1.04
1885	56,148,000	27.38	23.02	24.50	.84	5.76	4.63	1.17
1886	57,404,000	27.20	21.82	22.34	.79	5.86	4.22	1.13
1887	58,680,000	27.84	22.45	20.03	.71	6.33	4.56	1.27
1888	59,974,000	28.20	22.88	17.72	.65	6.32	4.46	1.33
1889	61,289,000	27.06	22.62	15.92	.53	6.31	4.88	1.45
1890	62,622,250	26.91	22.82	14.22	.47	6.43	4.88	1.71
1891	63,844,000	26.28	23.42	13.34	.37	6.14	5.72	1.95
1892	65,086,000	26.92	24.59	12.93	.35	5.44	5.29	2.07
1893	66,349,000	26.21	24.03	12.64	.35	5.81	5.77	2.40
1894	67,632,000	26.69	24.52	13.30	.38	4.40	5.43	2.09
1895	68,934,000	26.39	23.29	13.08	.42	4.54	5.16	2.05
1896	70,254,000	25.62	21.41	13.60	.49	4.65	5.01	1.98
1897	71,592,000	26.62	22.81	13.78	.48	4.85	5.10	1.97
1898	72,947,000	28.43	25.15	14.08	.47	5.55	6.07	2.02
1899	74,318,000	29.47	25.58	15.55	.51	6.93	8.14	1.88
1900	76,808,387	30.66	26.94	14.52	.44	7.43	6.39	1.85
1901	77,647,000	31.98	27.98	13.45	.38	7.56	6.56	1.79
1902	79,003,000	32.45	28.43	12.27	.35	7.11	5.96	1.75
1903	80,372,000	33.40	29.42	11.51	.32	6.93	6.26	1.72
1904	81,752,000	34.29	30.77	11.83	.30	6.60	7.11	1.74
1905	83,143,000	34.63	31.08	11.91	.29	6.51	6.81	1.72
1906	84,216,433	36.45	32.32	11.45	.28	7.02	6.72	1.67
1907	85,817,239	36.80	32.22	10.22	.25	7.70	6.73	1.62

Reciprocity must be treated as the handmaiden of protection. Our first duty is to see that the protection granted by the tariff in every case where it is needed is maintained, and that reciprocity be sought for so far as it can safely be done without injury to our home industries.—President Roosevelt's Annual Message, Fifty-seventh Congress, first session.

While Mr. Bryan has been most emphatic and eloquent in his description and denunciation of trusts and abuses of corporate organization and wealth, his suggested remedies for their prompt suppression have been very vague, unless indeed his proposal that the Government buy or condemn all interstate railways with their immense mileage and maintain and operate them is to be regarded as an immediate, ready, practical, and feasible remedy.—Hon. Wm. H. Taft, at Greensboro, North Carolina.

Think of it, men of Rochester; you producers and manufacturers and merchants and traders and bankers and transporters, think of it! The market of our own country, the home market, in which you can transport your goods from the door of the factory to the door of the consumer, without breaking bulk a single time, is equal to the entire international commerce of the world.—O. P. Austin, at Rochester.

But no one can read the report of the commission on the history of the union of the Southern Pacific and Union Pacific systems with the Illinois Central system without trembling at the enormous power that one man, by the uncontrolled use of the stock and bond issuing power of interstate railways under state charters, had acquired in respect to a vital part of the country's business and without looking for some means of remedying such a dangerous tendency which, if not stopped, will lead to the absorption of all the railroads of the country into one hand.—Hon. Wm. H. Taft, at Columbus, Ohio.



*Analysis of the principal of the public debt of the United States.*

[From the Statistical Abstract of the United States, 1907.]

Year ended.	Total interest bearing debt.	Annual interest charge.	Debt on which interest has ceased.	Debt bearing no interest.*	Outstanding principal.	Cash in the Treasury.	Principal of debt less cash in Treasury.	Population of the United States.	Debt per capita.	Interest per capita.
1865—Aug. 31.	\$2,381,530,294	\$150,977,097	\$1,503,020	\$461,616,311	\$2,844,440,026	\$88,218,055	\$2,756,431,571	35,228,000	\$78.25	\$4.29
1870—July 1.	2,046,455,722	118,784,960	3,708,641	430,508,064	2,480,672,427	149,502,471	2,331,169,956	38,558,371	60.46	3.08
1875	1,722,676,300	96,855,640	11,425,831	408,182,411	2,332,254,531	142,243,801	2,090,041,730	43,951,000	47.53	2.20
1876	1,710,685,450	95,104,269	3,902,420	466,807,196	2,180,395,067	119,460,728	2,060,934,339	45,137,000	45.06	2.11
1877	1,711,888,500	98,100,613	16,648,860	476,784,031	2,205,301,332	118,025,960	2,019,275,371	46,353,000	43.56	2.01
1878	1,794,735,650	94,654,472	2,594,560	455,875,682	2,256,205,892	256,823,612	1,999,382,280	47,598,000	42.01	1.99
1879	1,797,643,700	83,773,778	37,015,630	410,835,741	2,246,495,072	249,680,167	1,996,814,905	48,966,000	40.86	1.71
1880	1,723,993,100	75,633,981	7,621,455	388,800,815	2,120,415,370	201,088,622	1,919,326,747	50,155,788	38.27	1.59
1881	1,680,567,750	75,018,605	6,723,805	422,721,954	2,060,013,669	249,363,415	1,810,650,254	51,316,000	35.46	1.40
1882	1,465,810,400	57,360,110	16,260,805	438,241,788	1,918,312,944	345,389,519	1,572,923,424	52,495,000	31.91	1.09
1883	1,436,709,500	51,436,709	7,831,415	538,111,102	1,884,171,728	345,389,519	1,538,781,855	53,693,000	28.66	.96
1884	1,326,563,850	47,926,432	19,656,205	584,308,908	1,800,595,923	381,985,028	1,418,610,895	54,911,000	26.20	.87
1885	1,196,150,950	47,014,133	4,100,905	663,712,927	1,853,964,873	438,612,429	1,415,352,443	56,148,000	24.50	.84
1886	1,146,014,100	45,510,068	9,704,445	619,344,468	1,776,083,013	492,917,173	1,283,165,840	57,404,000	22.34	.71
1887	1,021,682,350	41,750,529	6,115,165	629,765,077	1,657,002,592	482,433,917	1,174,568,675	58,680,000	20.03	.66
1888	889,853,990	38,991,935	2,496,065	739,840,389	1,692,858,984	629,854,089	1,063,004,894	59,974,000	17.72	.53
1889	785,313,110	33,752,354	1,911,485	825,011,280	1,552,140,201	661,355,834	890,784,370	61,289,000	15.92	.47
1890	610,529,130	29,417,043	1,815,805	825,011,280	1,545,046,591	694,083,389	851,012,751	63,844,000	13.34	.37
1891	585,029,330	22,804,855	2,785,875	1,000,648,980	1,538,464,144	746,897,681	841,526,463	65,086,000	12.93	.35
1892	585,037,100	25,394,855	1,851,240	958,197,832	1,545,985,056	707,016,210	838,969,475	66,349,000	12.64	.35
1893	716,202,080	29,140,792	1,721,500	958,197,832	1,632,253,689	772,940,256	860,313,360	67,682,000	13.30	.38
1894	847,395,130	34,887,305	1,636,800	968,960,655	1,676,120,983	774,448,016	900,517,969	68,984,000	13.08	.42
1895	847,395,130	34,887,305	1,846,800	968,960,655	1,817,672,695	831,016,579	956,297,253	70,254,000	13.60	.40
1896	1,016,018,750	40,347,408	1,262,680	947,901,845	1,796,531,995	769,446,503	936,665,086	71,592,000	13.78	.48
1897	1,023,475,890	40,847,872	1,218,300	947,901,845	1,901,827,306	890,607,071	1,027,085,492	72,947,000	14.08	.54
1898	987,141,040	38,545,180	1,176,320	1,112,305,911	1,991,827,306	1,044,789,119	1,047,038,187	74,318,000	15.55	.54
1899	981,070,340	29,789,153	1,415,620	1,154,770,273	2,148,326,933	1,098,587,813	1,050,189,120	76,303,387	14.52	.48
1900	914,511,410	26,511,573	1,290,860	1,226,259,245	2,158,610,445	1,189,153,204	969,457,241	79,003,000	12.27	.35
1901	895,157,440	24,176,745	1,205,000	1,296,718,281	2,202,468,741	1,277,453,204	925,015,537	80,372,000	11.51	.32
1902	835,158,340	24,176,745	1,370,245	1,378,086,478	2,294,009,656	1,294,748,291	969,331,778	81,732,000	11.83	.30
1903	895,158,340	23,248,064	1,370,245	1,440,874,563	2,374,615,065	1,284,748,291	989,866,771	83,143,000	11.91	.29
1904	894,834,280	21,623,914	1,068,615	1,561,266,996	2,437,161,839	1,578,591,306	964,435,686	84,151,009	11.46	.28
1905	897,503,990	20,854,635	4,130,015	1,725,172,206	2,626,906,272	1,688,673,862	938,232,410	85,956,000	10.22	.25
1906								87,496,000	10.25	.23

\*The column of "Debt bearing no interest" includes certificates issued against gold, silver, and currency deposited in the Treasury.

*Number and mileage of railroads placed under receiverships and sold under foreclosure during the calendar years 1876 to 1907.*

[From the Railway Age, Chicago.]

Calendar year.	Placed under receivership.			Sold under foreclosure.		
	Number of roads.	Miles.	Stocks and bonds.	Number of roads.	Miles.	Stocks and bonds.
1876	42	6,662	\$467,000,000	30	3,840	\$217,828,000
1877	38	3,637	220,294,000	54	3,875	198,981,000
1878	27	2,320	92,885,000	48	3,906	311,631,000
1879	12	1,102	39,367,000	66	4,909	243,288,000
1880	13	885	140,265,000	31	3,775	268,882,000
1881	5	110	3,742,000	29	2,617	137,923,000
1882	12	912	39,074,000	16	867	65,426,000
1883	11	1,090	108,470,000	18	1,351	47,100,000
1884	37	11,038	714,755,000	15	710	23,501,000
1885	41	8,286	385,400,000	22	3,156	278,301,000
1886	13	1,799	70,346,000	45	7,687	374,109,000
1887	9	1,046	90,318,000	31	5,478	328,181,000
1888	22	3,270	186,814,000	19	1,566	64,555,000
1889	22	3,803	99,664,000	25	2,930	137,815,000
1890	26	2,963	105,007,000	29	3,825	182,495,000
1891	26	2,159	84,479,000	21	3,223	169,069,000
1892	36	10,508	357,692,000	28	1,922	95,898,000
1893	74	29,340	1,781,046,000	25	1,613	79,921,000
1894	38	7,025	395,791,000	42	5,643	318,099,000
1895	31	4,089	369,075,000	52	12,831	761,791,000
1896	34	5,441	275,597,000	58	13,730	1,150,377,000
1897	18	1,537	92,909,000	42	6,675	517,680,000
1898	18	2,069	138,701,000	47	6,054	252,910,000
1899	10	1,019	52,285,000	32	4,294	267,534,000
1900	16	1,165	78,234,000	24	3,477	190,374,000
1901	4	73	1,627,000	17	1,139	85,898,000
1902	5	275	5,835,000	20	693	39,788,000
1903	9	229	18,823,000	13	555	15,885,000
1904	8	744	36,069,000	13	524	28,266,000
1905	10	3,593	176,321,000	6	679	20,307,000
1906	6	201	55,012,000	8	292	10,400,000
1907	7	317	13,585,000	6	114	13,777,000
Total	683	119,713	\$6,696,072,000	931	113,953	\$6,898,922,000

**The job hunts the man, not the man the job. When that condition exists labor is always better rewarded.**—President McKinley.

**England learns from experience—Democracy does not.**—Hon. Charles Dick, in Congress, Jan. 5, 1904.

**What has been done for the tin-plate manufacturers in the United States can be done for American shipbuilders and American shipowners.**—Hon. Wm. S. Greene, in Congress, April 28, 1904.

**Mr. Bryan asks me what I would do with the trusts. I answer that I would restrain unlawful trusts with all the efficiency of injunctive process and would punish with all the severity of criminal prosecution every attempt on the part of aggregated capital through the illegal means I have described to suppress competition.**—Hon. Wm. H. Taft, at Columbus, Ohio.

**Not only is our home market equal to the international commerce of the entire world, but it is growing far more rapidly than international commerce. The internal commerce of the United States has grown from 7 billions in 1870 to 28 billions in 1908, while the international commerce has grown from 11 billions in 1870 to 28 billions in 1908; in other words, while the international commerce of the world is now two and one-half times as great as in 1870, the internal commerce of the United States is now four times as great as in that year and equals the entire commerce between all nations.**—O. P. Austin, Chief of Bureau of Statistics.

**What has been the result to the United States of this so-called colonial policy? Well, it has added to her trade something over one hundred millions of dollars. I do not think that is important except as a beginning. If the government continues its friendly policy toward Porto Rico and the Philippines and opens her markets as well to the Philippines as to Porto Rico, this trade will treble and quadruple in a marvelously short time, so that merely from the standpoint of material progress, the mutual benefits for the people we are helping and ourselves will be no mean justification for the policy.**—Hon. Wm. H. Taft, at Cleveland, Ohio.

*Railways in the United States, their capital stock and dividends, debt and rate of interest paid, passengers and freight carried and rates received per mile for same, earnings per mile of road, and percentage of expenses to earnings, from 1883 to 1906.*

(Compiled from Poor's Railway Manual.)

Year.	Length of lines.	Capital stock.	Dividends. (Per cent of stock.)	Funded debt.	Interest. (Per cent of bonds and debt.)	Passengers carried.	Average receipts per passenger per mile.	Freight carried.	Freight rates, wheat, Chicago to New York.		Average receipts per ton per mile.	Earnings per mile of railroad in operation.		Percentage of expenses to earnings.
									Lake and rail.	All rail.		Gross.	Net.	
	Miles.							Tons.	Cents.	Cents.	Cents.	\$	Cents.	
1883.....	120,519	\$4,675,703,383	2.77	\$3,479,411,911	4.58	312,695,611	2.42	400,458,430	11.5	16.5	1.92	\$7,405	\$2,679	63.32
1884.....	125,519	8,726,615,011	2.48	3,647,312,772	4.54	324,570,766	2.35	390,074,749	9.95	13.12	1.13	6,663	2,318	65.31
1885.....	127,689	8,778,600,737	2.02	3,740,255,063	4.65	351,627,688	2.20	437,040,949	9.02	13.0	1.06	6,200	2,163	65.17
1886.....	133,565	8,950,877,498	2.04	3,853,748,320	4.53	382,284,972	2.13	482,246,251	12.0	16.5	1.01	6,570	2,376	63.44
1887.....	147,953	4,146,978,211	2.18	4,155,698,116	4.50	428,225,313	2.18	552,071,753	12.0	15.74	1.03	6,790	2,418	64.45
1888.....	151,222	4,392,287,221	1.77	4,155,471,523	4.20	451,853,655	2.25	600,857,353	11.0	15.7	1.08	6,540	2,045	68.72
1889.....	159,924	4,447,103,600	1.81	4,754,173,271	4.22	494,498,421	2.17	619,165,639	8.7	15.0	.97	6,446	2,036	67.06
1890.....	163,354	4,540,771,500	1.80	5,055,225,025	4.13	500,439,082	2.18	691,344,037	8.5	14.31	.93	6,575	2,166	68.40
1891.....	167,846	4,751,750,498	1.85	5,280,927,024	4.14	550,015,402	2.17	701,398,603	8.53	15.0	.93	6,552	2,136	68.43
1892.....	171,805	4,838,119,073	1.93	5,406,955,004	4.16	575,769,678	2.07	730,005,011	8.55	14.23	.94	6,582	2,069	69.32
1893.....	175,412	5,021,576,551	1.88	5,510,225,528	4.11	597,056,339	2.03	757,061,880	8.44	14.7	.89	6,963	2,069	70.39
1894.....	179,921	5,181,373,593	1.58	5,648,659,486	4.09	600,960,216	2.07	771,711,717	7.0	12.88	.86	6,054	1,803	70.22
1895.....	182,304	5,373,187,619	1.52	5,461,556,708	4.33	535,120,756	2.03	755,790,883	7.32	12.7	.83	6,223	1,840	70.43
1896.....	185,517	5,602,994,449	1.51	5,434,482,492	4.08	501,006,525	2.03	783,885,445	7.32	12.0	.80	6,223	1,840	70.43
1897.....	181,804	5,581,522,858	1.70	5,635,363,534	4.03	511,082,888	2.00	775,790,883	4.99	11.55	.79	6,771	2,111	68.74
1898.....	179,781	5,742,181,181	1.92	5,644,858,027	4.03	537,977,301	1.99	915,780,911	4.93	11.13	.73	7,101	2,972	68.16
1899.....	192,182	5,801,546,250	2.44	5,758,592,751	4.12	584,694,935	2.00	1,071,631,911	5.03	11.3	.73	7,226	2,972	68.16
1900.....	195,887	5,978,706,249	2.65	6,035,469,741	4.12	600,185,700	2.03	1,084,046,511	5.07	9.68	.75	8,270	2,668	67.78
1901.....	199,685	6,078,200,546	2.97	6,405,290,889	4.03	655,139,236	2.03	1,135,186,511	5.19	10.60	.76	8,690	2,887	67.15
1902.....	206,886	6,355,207,335	3.03	6,732,216,517	4.00	696,008,904	2.05	1,205,651,951	5.19	11.33	.76	9,300	2,887	68.46
1903.....	211,074	6,417,015,374	3.31	6,908,799,403	3.71	716,173,676	2.06	1,275,071,745	5.02	11.11	.76	9,248	2,980	67.68
1904.....	214,044	6,741,953,827	3.27	7,435,201,401	4.16	745,146,041	2.03	1,457,321,745	6.44	10.20	.78	9,648	2,135	67.19
1905.....	218,433	7,109,063,976	3.63	7,851,107,778	3.71	816,774,119	2.01	1,610,009,829	6.48	10.30	.77	10,681	2,580	68.33

## Progress of the United States in its material industries, 1850 to 1908.

Year ending June 30—	Population.	Interest-bearing debt.	Annual interest charge.	Interest per capita.	Treasury receipts—net ordinary. a	Government expend- itures—net ordinary. b	Money in circulation.	Circula- tion per capita.	Bank Clearings.	
									New York.	Total of United States.
		Dollars.	Dollars.		Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1850.....	23,191,876	63,432,774	3,782,393	.16	43,592,889	40,918,388	278,761,932	12.02	5,736,000,000	No data.
1860.....	31,443,321	64,640,888	3,443,678	.11	56,954,000	33,900,876	435,212,732	13.85	27,234,148,097	" "
1870.....	38,598,371	2,066,455,722	118,784,960	3.06	395,959,834	233,657,005	675,212,794	17.50	27,894,539,406	" "
1880.....	43,951,000	1,722,676,300	96,855,691	2.20	284,020,771	274,623,393	784,101,947	17.16	25,061,237,462	" "
1885.....	50,135,783	1,723,963,100	79,633,981	1.59	333,326,501	264,847,637	973,382,228	19.41	37,182,128,621	" "
1890.....	56,148,000	1,496,150,960	47,014,133	.84	323,630,706	269,296,995	1,292,568,615	22.02	35,250,791,440	" "
1891.....	62,622,250	725,313,110	29,417,603	.47	403,690,983	297,736,487	1,429,251,270	22.82	37,660,696,572	58,845,279,595
1892.....	63,844,000	610,529,120	23,615,736	.37	392,612,447	355,372,685	1,497,440,707	23.42	34,053,698,770	57,236,737,968
1893.....	65,086,000	585,029,330	22,893,833	.35	374,937,781	333,477,954	1,601,347,187	24.56	36,272,906,296	59,880,682,455
1894.....	66,349,000	585,037,160	22,894,194	.35	385,819,629	353,477,954	1,600,808,708	24.03	34,421,379,870	50,975,155,046
1895.....	67,632,000	636,041,800	25,394,386	.38	297,722,019	357,525,280	1,506,701,245	24.52	24,230,145,368	45,028,496,746
1896.....	68,934,000	776,202,060	29,140,792	.42	313,390,075	356,195,298	1,601,908,473	23.20	29,261,379,126	51,985,651,738
1897.....	70,254,000	847,363,860	34,387,266	.49	326,076,200	352,179,446	1,506,434,966	21.41	29,350,894,884	51,985,651,738
1898.....	71,592,000	847,363,130	34,387,315	.48	347,721,705	395,774,100	1,640,269,519	22.87	31,337,760,943	54,179,545,081
1899.....	72,947,000	847,367,470	34,387,469	.47	405,321,335	443,398,538	1,887,879,895	25.16	37,853,413,948	85,924,820,769
1900.....	74,318,000	1,046,048,760	40,347,873	.54	515,960,620	605,072,180	1,904,071,881	25.58	57,398,230,771	84,582,470,081
1901.....	76,303,387	1,023,478,860	33,546,130	.44	567,240,862	509,967,373	2,095,150,998	26.94	51,964,588,564	88,928,672,533
1902.....	77,647,000	987,141,010	29,789,153	.38	567,085,338	487,713,792	1,904,071,881	27.98	77,020,672,404	114,819,792,089
1903.....	79,003,000	981,070,340	27,542,946	.35	562,478,233	471,100,898	2,175,307,962	28.43	74,753,189,436	116,021,618,008
1904.....	81,752,000	914,541,410	25,541,573	.32	560,396,674	504,009,007	2,249,390,551	29.42	70,833,675,940	113,993,298,973
1905.....	83,143,000	895,157,440	24,176,745	.30	549,631,749	528,402,321	2,517,882,673	30.77	59,672,796,804	102,356,435,047
1906.....	84,210,233	895,159,140	23,248,064	.29	544,274,685	597,278,913	2,587,882,673	31.08	91,879,318,399	140,592,037,616
1907.....	85,817,239	894,534,280	21,623,914	.25	594,454,122	578,784,709	2,726,646,628	32.82	103,754,100,911	157,681,296,969
1908.....	87,496,000	897,503,990	20,894,695	.23	663,140,334	578,963,748	3,046,457,239	34.81	95,315,421,238	151,622,515,258
					599,895,763	659,552,125				

a "Net ordinary receipts" include receipts from customs, internal revenue, direct tax, public lands, and "miscellaneous," but do not include receipts from loans, premiums, or Treasury notes, or revenue of Post-Office Department.

b "Net ordinary expenses" include expenditures for War, Navy, Indiana, pensions, payments for interest, and "miscellaneous," but do not include payments for premiums, principal of public debt, or expenditures for postal services paid from revenues thereof.

c As the result of special investigation by the Director of the Mint a reduction of \$125,000,000 was made in the estimate of gold coins in circulation of July 1, 1907, as compared with the basis of previous years.



*Progress of the United States in its material industries.*

Year.	Total deposits, including individual deposits in national banks.	Savings deposits. (a).	Depositors in savings banks. (b).	Life insurance in force.		Imports of merchandise.		Exports of merchandise.		Excess of exports over imports.	Exports of domestic manufactures.
				Industrial.		Ordinary.		Total.	Total.		
				Number of policies.	Amount.	Number of policies.	Amount.				
Dollars.	Dollars.	Dollars.	Number.	Dollars.	Not stated.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1850.....	Not stated.	43,431,130	251,354	Not stated.	Not stated.	Not stated.	173,500,526	144,375,726	329,138,800	28,223,106	
1860.....		149,277,504	693,870	"	"	29,407	68,614,189	353,616,119	323,576,057	630,040,063	48,453,008
1870.....		549,874,558	1,630,846	"	"	60,000	180,000,000	435,958,438	392,771,708	843,186,610	70,040,815
1875.....		921,087,304	2,359,804			889,226	2,292,847,000	533,005,436	513,442,711	1,046,522,725	101,961,547
1880.....		819,106,973	2,355,582	236,574	20,533,469	679,600	1,564,183,532	667,957,339	749,189,785	167,683,932	121,818,298
1885.....		1,065,172,147	3,071,495	611,730,374	41,081,131,170	696,407	3,620,606,617	577,527,329	854,602,436	170,556,178	
1890.....		1,550,023,956	4,258,893	91,730,520	6,290,821,128	1,319,561	3,960,057,439	780,310,400	857,828,684	68,518,275	
1895.....		1,654,826,142	4,533,917	4,319,817	481,919,116	1,465,459	3,964,041,598	844,016,196	884,480,810	39,584,614	
1900.....		1,758,329,618	4,781,605	5,200,777	583,827,016	1,531,231	4,314,204,348	867,402,462	1,060,278,148	188,311,113	
1905.....		4,637,323,910	6,833,439	5,751,514	663,650,120	1,784,303	4,632,774,861	966,400,922	847,655,194	202,875,686	
1910.....		4,651,115,302	4,777,687	6,833,439	820,740,611	1,938,954	4,765,220,494	654,001,622	807,538,165	170,006,987	
1915.....		4,921,267,817	4,875,619	6,932,737	880,946,170	1,940,945	4,917,604,131	731,929,965	827,140,572	237,145,970	
1920.....		4,945,124,824	5,065,946	6,952,757	888,266,586	2,024,927	5,054,500,906	779,794,674	889,606,388	205,967,463	
1925.....		5,031,735,370	5,385,746	8,005,384	906,133,424	2,201,133	5,229,680,648	764,730,412	1,050,993,556	258,007,865	
1930.....		5,658,164,450	6,687,818	8,708,480	1,110,073,510	2,410,850	5,214,954,453	616,049,684	1,231,483,890	311,143,905	
1935.....		6,768,655,961	6,107,673	10,050,847	1,293,125,822	2,830,950	5,451,154,483	637,145,489	1,394,023,892	320,874,813	
1940.....		7,238,080,450	6,666,672	13,448,124	1,408,082,966	3,176,051	7,093,152,880	849,941,184	1,394,483,082	380,826,535	
1945.....		8,458,881,015	6,666,672	13,448,124	1,408,082,966	3,176,051	7,093,152,880	849,941,184	1,394,483,082	481,726,632	
1950.....		9,101,722,989	7,035,228	14,603,694	1,900,800,997	4,604,083	8,702,085,912	903,320,948	1,381,719,401	478,338,463	
1955.....		9,553,632,594	7,305,443	15,674,381	2,137,699,397	4,694,021	8,630,008,148	1,025,719,297	1,350,311,679	467,856,377	
1960.....		10,000,546,960	7,406,446	16,074,381	2,137,699,397	5,637,759	10,412,078,338	1,117,553,071	1,460,827,271	467,856,377	
1965.....		11,350,793,916	7,918,775	16,872,583	2,304,754,235	5,631,117	11,055,255,634	1,117,553,071	1,518,827,271	467,856,377	
1970.....		12,245,767,660	8,027,122	17,841,366	2,453,016,207	5,732,956	11,283,194,077	1,230,562,624	1,743,804,600	611,426,574	
1975.....		13,000,635,343	8,588,811					1,484,421,425	1,880,351,078	446,429,653	
1980.....								1,185,000,000	1,530,000,000	674,000,000	
1985.....											
1990.....											
1995.....											
2000.....											

a Exclusive of Illinois State banks having savings departments.

b Includes depositors in Illinois State banks having savings departments, for number of which see Report of Comptroller of the Currency.

c Excess of imports over exports.

d 1886.

e June estimated.

## Progress of the United States in its material industries—Continued.

Year ending June 30—	Imports of raw material for manufac- turing.	Gold, excess of exports over imports.	Exports to Asia.	Exports to Oceania.	Imports of crude rubber.	Imports of pig tin.	Imports of tin plates.	Production.			
	Dollars.	Dollars.	Dollars.	Dollars.	Pounds.	Dollars.	Pounds.	Coal.	Pig Iron.	Steel.	Steel rails.
								Tons.	Tons.	Tons.	Tons.
1850.....	11,711,296	2,783,921	3,071,720	208,129	9,624,038	651,410	12,236,743	6,266,233	563,755	68,750	30,357
1860.....	37,073,028	55,087,253	11,067,921	5,373,497	12,035,009	1,130,509	123,603,707	13,044,680	821,223	389,799	259,000
1870.....	53,118,022	21,579,012	10,972,064	4,334,991	16,826,148	1,984,238	150,032,768	25,213,012	1,665,179	1,247,395	894,353
1875.....	78,891,769	53,284,184	13,972,305	4,276,979	12,035,009	2,327,212	190,063,200	46,739,571	2,023,783	1,711,920	968,750
1880.....	131,891,617	67,119,371	11,645,703	6,846,698	21,206,148	6,226,176	379,062,880	83,822,830	3,835,191	4,044,526	1,513,015
1885.....	106,771,558	67,119,371	20,739,972	13,605,468	33,842,374	4,283,460	507,154,035	30,250,263	4,044,526	4,277,071	1,513,015
1890.....	170,637,250	4,331,149	19,696,992	16,400,269	33,842,374	6,808,009	680,060,925	140,840,931	9,202,703	8,279,870	1,513,015
1891.....	181,175,197	68,130,087	25,553,308	18,621,801	33,712,089	7,977,545	1,036,489,074	150,505,964	8,279,870	3,904,240	1,513,015
1892.....	188,317,595	405,873	10,590,350	15,572,767	33,712,089	8,067,870	1,222,176,202	160,115,242	9,157,000	4,927,581	1,513,015
1893.....	200,277,112	87,506,463	16,222,354	11,100,477	41,547,680	12,358,909	628,425,902	162,814,977	7,124,502	4,019,965	1,513,015
1894.....	130,080,011	4,528,042	20,872,761	11,014,182	33,757,783	2,640,770	454,160,826	152,447,701	6,057,888	4,412,032	1,513,015
1895.....	197,930,902	30,083,721	17,825,057	13,100,231	39,741,007	6,787,424	508,038,938	172,426,396	9,446,308	6,114,834	1,017,008
1896.....	197,930,902	78,881,882	25,630,020	17,197,220	39,741,007	6,787,424	359,200,798	171,416,390	8,423,127	5,281,689	1,017,008
1897.....	196,150,371	644,653,200	39,274,905	22,652,773	35,574,449	6,335,852	230,073,683	178,776,070	9,952,680	7,156,957	1,117,683
1898.....	189,822,344	614,085,283	44,707,791	22,003,022	46,055,497	8,776,151	171,662,345	196,407,381	11,773,934	8,932,857	1,117,683
1899.....	208,565,001	651,432,517	48,300,101	29,875,015	51,093,066	11,843,357	108,484,896	220,554,686	13,689,557	10,188,329	2,271,108
1900.....	276,241,752	3,693,575	64,913,807	49,391,275	50,438,461	19,401,550	147,963,934	240,780,310	15,878,354	13,473,595	2,884,987
1901.....	248,004,751	612,998,010	49,390,712	35,392,401	55,275,329	19,805,532	117,880,312	269,277,178	17,821,307	14,947,250	2,941,421
1902.....	303,001,868	63,452,304	63,944,077	34,258,011	55,010,551	23,613,892	107,200,000	319,068,229	18,009,252	16,407,033	2,901,810
1903.....	320,701,084	62,108,568	58,359,016	27,468,512	59,015,571	23,613,892	107,200,000	319,068,229	18,009,252	16,407,033	2,901,810
1904.....	380,601,658	61,759,882	60,151,347	39,850,681	67,234,256	23,378,471	161,066,820	350,820,810	22,992,880	20,023,947	2,983,840
1905.....	414,687,000	38,945,063	128,504,610	33,079,446	67,234,256	23,378,471	161,066,820	350,820,810	22,992,880	20,023,947	2,983,840
1906.....	477,627,174	657,618,139	105,451,610	35,141,751	57,844,315	30,032,908	120,819,732	309,783,281	23,307,191	23,308,136	3,377,572
1907.....	477,627,174	683,111,073	92,703,681	41,186,138	70,963,538	38,117,459	142,629,403	309,783,281	23,307,191	23,308,136	3,377,572
1908.....	486,000,000	e102,000,000	e102,000,000	e47,000,000	e62,000,000	e26,000,000	e141,000,000	309,783,281	23,307,191	23,308,136	3,377,572
1909.....	486,000,000	e102,000,000	e102,000,000	e47,000,000	e62,000,000	e26,000,000	e141,000,000	309,783,281	23,307,191	23,308,136	3,377,572

a Hawaiian Islands not included since 1900.      b Last six months.      c Excess imports.      d Last six months.      e June estimated.

Progress of the United States in its material industries—Continued.

Production—Continued.				Farm animals.				Railroads.				Placed under carriage- ships.		
Minerals, total value.	Cotton, total value.	Beet sugar.	Wool.	Raw silk imports.	Cotton retained for con- sump- tion.	Total value.	Horses.	Cattle.	Sheep.	Net traffic earnings.	Dividends paid.	Passengers carried one mile.	Freight carried one mile.	Miles.
Dollars.	Bales.	Tons.	Pounds.	Pounds.	Bales.	Dollars.	Number.	Number.	Number.	Dollars.	Dollars.	Number.	Tons.	
1850.....	2,333,718	52,516,951	82,516,951	595,000	544,180,516	4,326,719	17,778,907	21,773,250	91,773,250	255,457,555	76,119,105	9,133,673,956	40,151,804,469	8,386
1860.....	4,861,923	40,214,911	162,000,000	979,000	1,080,390,915	6,219,174	25,416,019	22,471,275	40,583,400	33,675,705	83,575,705	12,531,595,619	79,192,965,125	9,463
1870.....	3,114,523	162,000,000	162,000,000	584,589	1,534,933,186	9,218,800	27,280,200	33,763,600	50,369,273	39,671,294	89,009,757	13,534,213,204	81,413,107,130	2,154
1875.....	3,827,815	151,000,000	151,000,000	1,101,681	1,594,933,186	9,218,800	27,280,200	33,763,600	50,369,273	39,671,294	89,009,757	13,534,213,204	81,413,107,130	10,638
1880.....	5,701,252	1,200	225,500,000	2,562,246	1,795,000	2,156,917,556	11,501,572	43,771,295	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1885.....	5,701,252	1,200	225,500,000	2,562,246	1,795,000	2,156,917,556	11,501,572	43,771,295	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1890.....	7,311,322	9,203	276,000,000	4,308,908	2,435,000	2,435,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1895.....	8,652,597	3,450	285,000,000	6,238,629	2,640,000	2,640,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1899.....	6,222,543,381	9,035,379	3,450,204,000,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1900.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1901.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1902.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1903.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1904.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1905.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1906.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1907.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1908.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1909.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1910.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1911.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1912.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1913.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1914.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1915.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1916.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1917.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1918.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1919.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1920.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1921.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1922.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1923.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1924.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1925.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1926.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1927.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1928.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1929.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1930.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1931.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1932.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1933.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1934.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1935.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1936.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1937.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1938.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1939.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1940.....	5,413,603,967	9,700,817	3,013,208,153,000	8,494,049	2,856,000	2,856,000	15,000,000	52,801,297	44,336,472	35,071,435	93,862,412	13,574,213,204	90,513,687,240	29,340
1941.....	5,413,603,967	9,700,817	3,013,208,153,000											

## Progress of the United States in its material industries—Continued.

Year ending June 30—	Railroads—Continued.				Tonnage of vessels passing through Sault Ste. Marie Canal.	Failures, liabilities of.		Post-office receipts.	Wheat, farm value per bushel Dec. 1.	Corn, farm value per bushel Dec. 1.	Homestead entries.	Immigrants arrived.
	Sold under foreclosure.	Built.	Miles in operation.	Average receipts per ton per mile.		Dollars.	Dollars.					
	Miles.	Miles.		Cents.	Registered tons.			Dollars.	Cents.	Cents.	Acres.	
1850.		1,056	9,021		406,657	79,807,000	5,494,865					310,004
1860.		1,857	30,626		600,556	88,532,000	8,518,667					150,257
1870.		6,078	62,622		1,250,354	201,000,000	19,772,321			39.4		387,203
1875.		1,711	74,096		1,734,590	65,762,000	29,791,861		89.5	36.7		227,408
1880.	3,867	6,711	93,267	1.06	3,095,937	124,250,331	33,515,479		95.1	30.6		437,257
1885.	3,775	2,975	128,530	.93	8,454,435	189,850,964	60,832,068		77.1	32.8		395,340
1890.	3,825	5,427	160,703	.93	8,400,085	189,850,938	65,931,780		53.8	50.6		465,362
1895.	3,223	4,026	170,729	.94	10,447,308	114,014,107	70,930,476		62.4	39.4		500,319
1899.	1,922	4,441	175,170	.89	8,946,754	346,779,889	75,896,963		53.8	36.5		623,064
1899.	1,613	2,346	177,516	.86	13,110,366	172,962,858	75,080,479		45.7	35.3		602,917
1899.	1,613	1,869	179,415	.84	16,896,781	173,196,000	76,963,128		49.1	25.3		314,467
1899.	12,831	1,700	181,115	.82	17,210,418	256,099,854	85,695,463		50.9	26.3		279,948
1899.	13,730	1,694	182,769	.80	17,010,953	154,332,071	85,695,463		72.6	21.5		333,267
1899.	6,675	1,822	184,591	.78	18,622,754	190,602,899	85,012,619		58.2	28.7		230,852
1899.	6,064	2,219	186,810	.76	21,958,317	190,870,889	95,021,384		68.4	30.3		229,299
1899.	4,291	4,008	190,818	.73	22,815,834	138,495,673	102,354,570		61.9	36.7		311,715
1899.	3,477	3,444	194,262	.76	24,696,976	113,062,376	111,631,193		62.4	60.5		448,572
1899.	1,139	4,451	198,743	.76	31,955,952	117,476,769	121,846,047		63.0	40.3		457,918
1899.	663	4,195	202,938	.76	27,736,444	155,444,185	134,224,443		69.5	42.5		648,743
1900.	555	4,397	207,335	.78	24,394,138	144,202,311	143,582,024		63.0	44.1		857,046
1900.	524	5,069	212,894	.79	36,017,669	102,676,172	167,982,585		74.8	41.2		812,870
1900.	679	4,947	217,341	.78	41,098,324	119,201,515	167,982,585		66.7	38.9		1,026,490
1900.	262	5,294	222,633	.77	44,087,974	197,386,225	183,585,008		87.4	51.6		1,100,735
1900.	114	all	224,363									1,285,340

a From preliminary report of Interstate Commerce Commission.





## Progress of the United States in its material industries—Continued.

Year ending June 30— raw material for manufac- turing.	Imports of Gold, excess of exports over imports.	Exports to Asia.	Exports to Oceania.	Imports of crude rubber.	Imports of pig tin.	Imports of tin plates.	Tin plates.	Coal.	Pig iron.	Steel.	Steel ralls.
	Dollars.	Dollars.	Dollars.	Pounds.	Dollars.	Pounds.	Pounds.	Tons.	Tons.	Tons.	Tons.
1850.	11,711,266	3,071,720	208,129	5,373,467	1,130,500	150,032,768	42,119,192	6,206,233	563,755	68,750	80,357
1860.	37,073,022	11,067,921	5,373,467	9,624,098	1,984,238	150,032,768	123,605,707	13,044,680	821,223	889,709	250,000
1870.	53,118,022	10,972,064	4,334,491	12,035,908	2,327,212	190,063,200	166,313,409	25,213,012	2,023,783	1,247,395	864,353
1875.	78,891,769	13,972,905	4,276,979	16,826,098	6,233,176	379,097,880	359,250,268	46,739,571	3,835,191	1,711,920	968,750
1880.	131,891,617	11,645,708	6,846,008	24,208,148	4,283,460	507,154,135	489,966,981	89,250,268	4,044,926	4,277,071	1,513,045
1885.	106,774,553	20,789,972	13,605,408	33,842,374	6,898,009	680,060,025	650,489,074	140,866,981	9,202,703	3,904,240	1,871,425
1890.	170,637,250	19,066,850	16,400,269	33,712,089	7,977,545	1,039,489,074	100,115,242	150,505,954	8,270,570	4,027,581	1,298,988
1891.	184,175,197	25,553,308	18,621,801	39,976,205	8,067,870	1,039,489,074	100,115,242	150,505,954	9,157,000	4,019,965	1,511,407
1892.	188,317,595	19,560,350	15,572,767	41,517,080	12,358,960	1,039,489,074	100,115,242	150,505,954	7,124,562	4,412,082	1,130,368
1893.	200,277,112	16,222,354	11,109,477	41,517,080	2,640,770	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1894.	130,086,011	20,872,761	11,914,182	33,757,783	2,640,770	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1895.	180,930,902	17,325,057	13,107,231	39,741,607	6,787,424	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1896.	197,646,852	25,680,029	17,197,229	39,741,607	6,787,424	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1897.	196,159,371	39,274,905	22,652,773	35,574,449	8,535,852	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1898.	180,322,244	44,707,791	22,003,022	46,055,497	8,776,151	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1899.	208,565,601	48,900,161	29,875,015	51,063,065	11,843,357	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1900.	276,241,152	64,913,807	43,391,275	40,377,129	19,101,301	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1901.	248,006,010	49,390,712	35,392,401	55,275,529	19,805,552	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1902.	303,001,868	63,944,077	43,944,077	50,413,481	19,805,552	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1903.	330,491,084	68,359,016	37,408,512	55,010,571	23,018,821	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1904.	320,794,431	60,151,347	32,850,681	59,015,551	21,480,311	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1905.	380,160,658	87,945,083	33,079,446	67,231,256	23,378,471	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1906.	414,687,969	128,504,610	33,079,446	67,231,256	23,378,471	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1907.	477,027,174	105,431,610	35,141,751	57,841,315	30,982,908	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368
1908.	630,000,000	102,000,000	47,000,000	62,000,000	38,117,450	1,039,489,074	100,115,242	150,505,954	6,067,888	4,412,082	1,130,368

a Hawaiian Islands not included since 1900.

b Last six months.

c Excess imports.

d Last six months.

e June estimated.

*Notes to accompanying tables entitled progress of the United States in its area, population, and material industries.*

- a Exclusive of Alaska and islands belonging to the United States.
- b Census figures.
- c True valuation of real and personal property.
- d 1904.
- e Total debt prior to 1855.
- f Figures for the years 1800 to 1850 include the total public debt.
- g Gold and silver cannot be stated separately prior to 1876. From 1862 to 1875, inclusive, gold and silver were not in circulation except on the Pacific coast, where it is estimated that the average specie circulation was about \$25,000,000, and this estimate is continued for the three following years under the head of gold. After that period gold was available for circulation.
- h Total specie in circulation. Gold and silver not separately stated prior to 1876.
- i As the result of a special investigation by the Director of the Mint, a reduction of \$135,000,000 was made in the estimate of gold coin in circulation on July 1, 1907, as compared with the basis of previous years.
- j Includes notes of Bank of United States; State-bank notes; demand notes of 1862 and 1863; fractional currency, 1863 to 1878; Treasury notes of 1890, 1891 to date; and currency certificates, act of June 8, 1872, 1892 to 1900.
- k 1905.
- l Exclusive of neighborhood industries and hand trades, included in previous years.
- m "Net ordinary receipts" include receipts from customs, internal revenue, direct tax, public lands, and "miscellaneous."
- n "Net ordinary expenses" include expenditures for War, Navy, Indians, pensions, interest, and "miscellaneous."
- o Imports for consumption after 1860.
- p Domestic exports only after 1860.
- q Includes mules.
- r Doctor Soetbeer's estimate averaged for the period.
- s Estimated by the Director of the Mint.
- t 1814.
- u 1906.
- v Last six months of 1801.
- w 1845.

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Cheap labor is not the sole end we seek in the United States. \* \* \* We desire not only well-paid labor, but want that labor steadily employed.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

We want no slave labor. Two million men with their blood wiped away slavery forever. We want no labor, either white or black, in a virtual state of serfdom. Labor must be free, with all the prerogatives which pertain to freedom.—Hon. C. W. Fairbanks, at Kansas City, Mo., September 1, 1902.

No argument is required to sustain the wisdom of a stable currency, for an unstable, fluctuating circulating medium unsettles and disturbs, and brings a train of evils which are as merciless and destructive as the ravages of war.—Hon. C. W. Fairbanks, in U. S. Senate, March 5, 1900.

The business men of our community as a whole are honest and their methods are sound. The President has never said otherwise. Indeed, it is chiefly in the interest of the great body of honest business men that he has made his fight for lawful business methods.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

The complaints that the courts are made for the rich and not for the poor has no foundation in fact in the attitude of the courts upon the merits of any controversy which may come before them, for the judges of this country are as free from prejudice in this respect as it is possible to be.—Hon. Wm. H. Taft, to the Civic Forum, New York City.

Not only is our home market equal to the international commerce of the entire world, but it is growing far more rapidly than international commerce. The internal commerce of the United States has grown from 7 billions in 1870 to 28 billions in 1908, while the international commerce has grown from 11 billions in 1870 to 28 billions in 1908; in other words, while the international commerce of the world is now two and one-half times as great as in 1870, the internal commerce of the United States is now four times as great as in that year and equals the entire commerce between all nations.—O. P. Austin, Chief of Bureau of Statistics.

*Value of gold coin and bullion imported into and exported from the United States, fiscal years since 1850.*

Year ending June 30—	Imports.	Exports.	Excess of imports over exports.	Excess of exports over imports.
1850	\$1,776,706	\$4,560,687		\$2,783,921
1851	3,569,090	22,839,913		19,267,823
1852	3,658,059	40,073,072		36,415,020
1853	2,427,556	25,442,858		23,015,502
1854	3,031,964	40,470,260		37,438,296
1855	1,082,502	55,109,215		54,016,413
1856	3,090,805	45,000,977		44,010,072
1857	6,654,636	65,232,653		58,578,017
1858	11,593,083	50,002,804		38,409,726
1859	2,125,897	61,108,053		58,982,056
1860	2,508,786	58,446,039		55,937,253
1861	42,201,930	27,423,973	\$14,807,957	
1862	13,907,011	35,489,608		21,582,592
1863	5,580,533	62,162,533		56,682,000
1864	11,176,769	100,061,684		88,884,915
1865	6,498,223	53,831,033		47,332,810
1866	8,196,261	71,197,309		63,001,048
1867	17,024,896	39,026,637		22,001,741
1868	5,787,443	73,395,344		67,607,901
1869	14,132,508	36,006,498		21,873,990
1870	13,056,950	33,635,062		20,578,112
1871	6,888,561	66,689,208		59,800,647
1872	8,717,458	49,543,760		40,826,302
1873	5,632,447	44,856,715		39,224,268
1874	19,608,137	34,042,420		14,434,283
1875	13,696,793	66,980,977		53,284,184
1876	4,992,700	31,177,050		26,184,351
1877	26,246,234	26,550,374		304,140
1878	18,830,215	9,204,455	4,125,760	
1879	5,624,948	4,587,614	1,037,334	
1880	80,753,396	3,639,025	77,114,371	
1881	100,031,259	2,565,132	97,466,127	
1882	34,377,054	32,587,880	1,789,174	
1883	17,734,140	11,600,888	6,133,251	
1884	22,831,317	41,081,957		18,250,640
1885	26,691,696	8,477,892	18,213,804	
1886	20,743,349	42,952,191		22,208,842
1887	42,010,601	9,701,187	33,209,414	
1888	43,084,317	18,376,234	25,558,083	
1889	10,284,853	59,952,285		49,667,427
1890	12,043,342	17,274,491		4,331,149
1891	18,232,567	86,382,654		68,150,087
1892	49,699,454	50,195,327		495,873
1893	21,174,881	108,680,844		87,505,963
1894	72,449,119	76,978,061		4,528,942
1895	36,384,760	66,468,481		30,083,721
1896	33,525,085	112,409,947		78,884,862
1897	85,014,780	40,361,580	44,653,200	
1898	130,391,674	15,466,391	104,925,283	
1899	33,954,603	37,522,086	51,432,517	
1900	44,573,184	48,266,759		3,693,575
1901	66,051,187	53,185,177	12,866,010	
1902	52,021,254	48,568,950	3,452,304	
1903	44,082,027	47,090,595		2,108,568
1904	99,055,888	81,450,986	17,595,897	
1905	53,648,061	92,594,024		38,945,963
1906	96,221,730	38,573,591	57,648,139	
1907	114,510,249	51,399,176	63,111,073	

The so-called negro domination is nothing but a dream and a nightmare of the past.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

I fancy the people will be found pretty well content with an Administration which did not hesitate to say, "Let no guilty man escape," and then enforced that order.—Hon. Albert J. Beveridge, in the Senate, April 1, 1904.

The greatness of our Nation, as shown in the struggle of the Civil War, is now everywhere recognized, and in the perspective of forty years there is none to decry or belittle it.—Hon. Wm. H. Taft, at Riverside Park, New York.

A condition of prosperity came with the policy of protection and a condition of adversity came when the theory of free trade was yielded to and this has been without an exception.—Hon. P. P. Campbell, in Congress, April 1, 1904.

Class appeals are dishonest; \* \* \* they calculate to separate those who should be united, for our economic interests are common and indivisible.—Maj. McKinley to Commercial Traveling Men's Republican Club, September 20, 1890.



*Production of gold and silver by principal countries, in 1906.*

[Includes all countries having a product of more than \$1,000,000 of either gold or silver.]

Country.	Gold.	Silver.	
	Value.	Coining value.	Commercial value.
North America:			
United States	\$94,873,800	\$78,073,600	\$38,256,400
Mexico	18,534,700	71,402,400	37,381,400
Canada	12,023,000	11,078,700	5,800,000
Africa	135,472,500	908,200	476,500
Australasia	82,391,400	18,407,700	9,637,000
Europe:			
Russia	19,494,700	214,900	112,500
Austria-Hungary	2,615,400	2,335,400	1,222,700
Germany	80,400	7,365,100	3,855,900
Italy	41,200	889,400	455,200
Spain		5,255,100	2,751,200
Greece		1,071,900	581,200
South America:			
Bolivia	18,800	4,004,200	2,096,300
Chile	948,500	514,400	289,300
Colombia	2,190,800	986,900	516,700
Brazil	2,403,000		
Guiana (British)	1,607,700		
Guiana (French)	1,859,700		
Peru	829,000	9,573,100	5,011,900
Central America	1,910,700	2,159,400	1,130,500
Asia:			
Japan	3,225,100	3,169,400	1,659,300
China	1,839,000		
Korea	2,250,000		
British India	12,087,700		
East Indies (British)	1,522,200		

Note.—Gold production of the United States in 1907 estimated at 90 million dollars; of the world, 403 millions.

We shall always need protective duties as long as our people insist upon a higher standard of wages and scale of living than prevail abroad.—Jas. M. Swank.

Arraying labor against capital is a public calamity and an irreparable injury to both.—Maj. McKinley to Commercial Traveling Men's Republican Club, September 26, 1896.

It is true, as Peter Cooper well said: "No goods purchased abroad are cheap that take the place of our own labor and our own raw material."—H. K. Thurber, in the American Economist.

The man or party that would seek to array labor against capital and capital against labor is the enemy of both.—Maj. McKinley at Canton, September 18, 1896.

The rich manifestations of our commercial power, our military and naval strength, great and splendid as they are, are not to be counted when compared with the moral and intellectual grandeur of our people.—Hon. C. W. Fairbanks, at Baldwin, Kas., June 7, 1901.

No lessons of experience and actual trial have been more valuable to us in working out our problem in the Philippines than those of General William Armstrong and Booker Washington in the uplifting of the negro race in the United States.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

While I fully recognize the fact that the Fifteenth Amendment has not accomplished all that it was intended to accomplish, and that for a time it seemed to be a dead letter, I am confident that in the end it will prove to be a bulwark equally beneficial with that of the Thirteenth and Fourteenth Amendments to an unfortunate and down-trodden, struggling race, to whom, in view of the circumstances under which they were brought to this country and the conditions in bondage in which they were continued for more than two centuries, we owe every obligation of care and protection. That which has been done for the benefit of the negro race is the work of the Republican party. It is one of those great issues presented by the exigencies of the war which the party had the firmness and courage to meet.—Hon. Wm. H. Taft, at Kansas City, Mo.

*Production of Gold and Silver in the United States from 1800 to 1907.*

Year.	Gold.	Silver.	Total.
1800			
1810	d\$2,463		d\$2,463
1820	d73,112		d73,112
1830	d564,950	\$253,400	d818,350
1840	d11,697,829	252,300	d11,950,129
1850	50,000,000	50,900	50,050,900
1851	55,000,000	51,700	55,051,700
1852	60,000,000	51,300	60,051,300
1853	65,000,000	52,200	65,052,200
1854	60,000,000	52,200	60,052,200
1855	55,000,000	52,000	55,052,000
1856	55,000,000	52,000	55,052,000
1857	55,000,000	52,400	55,052,400
1858	50,000,000	52,000	50,052,000
1859	50,000,000	105,000	50,105,100
1860	46,000,000	156,800	46,156,800
1861	43,000,000	2,062,000	45,062,000
1862	39,200,000	4,684,800	43,884,800
1863	40,000,000	8,842,300	48,842,300
1864	46,100,000	11,443,000	57,543,000
1865	53,225,000	11,642,200	64,867,200
1866	53,500,000	10,356,400	63,856,400
1867	51,725,000	13,866,200	65,591,200
1868	48,000,000	12,306,900	60,306,900
1869	49,500,000	12,297,600	61,797,600
1870	50,000,000	16,434,000	66,434,000
1871	43,500,000	23,588,300	67,088,300
1872	38,000,000	29,396,400	65,396,400
1873	36,000,000	35,881,600	71,881,600
1874	33,490,900	36,917,500	70,408,400
1875	33,467,900	30,485,900	63,953,800
1876	39,929,200	34,919,800	74,849,000
1877	46,897,400	36,901,500	83,888,900
1878	51,206,400	40,401,000	91,607,400
1879	38,900,000	35,477,100	74,377,100
1880	36,000,000	34,717,000	70,717,000
1881	34,700,000	37,657,500	72,357,500
1882	32,500,000	41,105,900	73,605,900
1883	30,000,000	39,618,400	69,618,400
1884	30,800,000	41,921,300	72,721,300
1885	31,801,000	42,503,500	74,304,500
1886	35,869,000	39,482,400	75,351,400
1887	33,136,000	40,887,200	74,023,200
1888	33,167,500	43,045,100	76,212,600
1889	32,967,000	46,838,400	79,805,400
1890	32,845,000	57,242,100	90,087,100
1891	33,175,000	57,630,000	90,805,000
1892	33,015,000	55,662,500	88,677,500
1893	35,955,000	46,800,000	82,755,000
1894	39,500,000	31,422,100	70,922,100
1895	46,610,000	36,445,500	83,055,500
1896	53,088,000	39,654,600	92,742,600
1897	57,363,000	32,316,000	89,679,000
1898	64,463,000	32,118,400	96,581,400
1899	71,053,400	32,858,700	103,912,100
1900	79,171,000	35,741,100	114,912,100
1901	78,666,700	33,128,400	111,795,100
1902	80,000,000	29,415,000	109,415,000
1903	73,591,700	29,322,000	102,913,700
1904	80,461,700	33,450,000	113,920,700
1905	88,180,700	34,222,000	122,402,700
1906	94,373,800	38,256,400	132,630,200
1907	189,620,399	137,571,580	127,191,979

d Estimate averaged for the period.

A tax, and a stiff one, upon foreign manufacturers would be one of the most popular as well as one of the wisest imposts ever levied in this country. Either the foreign manufacturer would pay the duty or the home manufacturer would get the trade.—London Daily Telegraph, December 10, 1903.

In the first place it is said that the policy of the administration has been directed for the last four years against organized capital, and that it has thereby frightened investors. I deny it. The course of the administration has been directed against such organized capital as was violating the statutes of the United States—and no other. It had every consideration and desire to aid and assist organized capital which was engaged in legitimate business.—Hon. Wm. H. Taft, to Merchants and Manufacturers' Association, Boston, Mass.

*Coinage of the United States mints from 1850 to 1907.*

[From the report of the Director of the Mint.]

Calendar year.	Total coinage.			
	Gold.	Silver.	Minor.	Total.
	Dollars.	Dollars.	Dollars.	Dollars.
1850	31,981,738.50	1,886,100.00	44,467.50	33,892,306.00
1851	62,614,492.50	774,397.00	99,635.43	63,488,524.93
1852	56,846,187.50	999,410.00	50,630.94	57,896,228.44
1853	39,377,909.00	9,077,571.00	67,059.78	48,522,539.78
1854	25,915,962.50	8,619,270.00	42,638.35	34,577,870.85
1855	29,387,968.00	3,501,245.00	16,030.79	32,905,243.79
1856	36,857,768.50	5,142,240.00	27,106.78	42,027,115.28
1857	32,214,040.00	5,478,760.00	178,010.46	37,870,810.46
1858	22,938,413.50	8,495,370.00	246,000.00	31,679,783.50
1859	14,780,570.00	3,284,450.00	364,000.00	18,429,020.00
1860	23,473,654.00	2,259,390.00	205,660.00	25,938,704.00
1861	83,305,530.00	3,783,740.00	101,000.00	87,280,270.00
1862	20,875,997.50	1,252,516.50	280,750.00	22,409,264.00
1863	22,445,482.00	809,267.80	498,400.00	23,753,149.80
1864	20,081,415.00	609,917.10	926,687.14	21,618,019.24
1865	28,295,107.50	691,005.00	968,552.86	29,954,665.36
1866	31,435,945.00	982,409.25	1,042,960.00	33,461,314.25
1867	32,828,625.00	908,876.25	1,819,910.00	35,557,411.25
1868	19,371,887.50	1,074,343.00	1,697,150.00	22,143,380.50
1869	17,582,987.50	1,266,143.00	963,000.00	19,812,130.50
1870	23,198,787.50	1,378,255.50	850,325.00	25,427,368.00
1871	21,032,685.00	3,104,038.30	99,890.00	24,236,613.30
1872	21,812,645.00	2,501,488.50	369,380.00	24,683,513.50
1873	57,022,747.50	4,024,747.60	379,455.00	61,426,950.10
1874	35,254,630.00	6,851,776.70	342,475.00	42,448,881.70
1875	32,951,940.00	15,347,893.00	246,970.00	48,546,803.00
1876	46,579,452.50	24,503,307.50	210,800.00	71,293,560.00
1877	43,999,864.00	28,333,045.50	8,525.00	72,401,434.50
1878	49,786,052.00	28,518,850.00	58,186.50	78,363,088.50
1879	39,080,080.00	27,569,776.00	165,003.00	66,814,859.00
1880	62,308,270.00	27,411,693.75	391,395.95	90,111,368.70
1881	96,850,890.00	27,940,163.75	428,151.75	125,219,205.50
1882	65,887,685.00	27,973,132.00	960,400.00	94,821,217.00
1883	29,241,990.00	29,246,968.45	1,604,770.41	60,093,728.86
1884	23,991,756.50	28,534,866.15	796,483.78	53,323,105.43
1885	27,773,012.50	28,962,176.20	191,622.04	56,926,810.74
1886	28,945,542.00	32,086,709.90	343,186.10	61,375,438.00
1887	23,972,383.00	35,191,081.40	1,215,686.26	60,379,150.66
1888	31,380,808.00	33,025,606.45	912,200.78	65,318,615.23
1889	21,413,931.00	35,496,683.15	1,283,408.49	58,194,022.64
1890	20,467,182.50	39,202,908.20	1,384,792.14	61,054,882.84
1891	29,222,005.00	27,518,856.60	1,312,441.00	58,053,302.60
1892	34,787,222.50	12,641,078.00	961,480.42	48,389,780.92
1893	56,997,020.00	8,802,797.30	1,134,931.70	66,934,749.00
1894	79,546,160.00	9,200,350.85	488,177.92	89,184,688.77
1895	59,616,357.50	5,698,010.25	882,430.56	66,196,798.31
1896	47,053,060.00	23,089,830.05	832,718.93	70,975,677.98
1897	76,028,485.00	18,487,297.30	1,526,100.05	96,041,882.35
1898	77,985,757.00	23,034,033.45	1,124,835.14	102,144,625.59
1899	111,844,220.00	26,061,519.90	1,837,451.86	139,243,191.76
1900	99,272,942.50	36,345,321.45	2,031,137.39	137,649,401.34
1901	101,735,187.50	30,838,460.75	2,120,122.08	134,693,770.33
1902	47,184,932.50	30,028,167.20	2,447,796.17	79,660,895.87
1903	43,683,970.50	19,874,440.00	2,251,281.18	65,809,691.68
1904	233,402,428.00	15,695,609.95	1,683,529.35	250,781,567.30
1905	49,638,441.00	6,332,180.90	2,298,555.43	58,269,177.33
1906	77,538,045.00	10,651,087.85	2,890,908.80	91,080,041.65
1907	131,907,490.00	13,178,435.75	3,042,126.18	148,128,051.93

The credit of the Government, the integrity of its currency, and the inviolability of its obligations must be preserved.—President McKinley's Inaugural.

Evils are to be suppressed by definite and practical measures—not by oratory or denunciation.—Hon. Wm. H. Taft, at Greensboro, North Carolina.

The success of the United States in material development is the most illustrious of modern times. It is my deliberate judgment that the prosperity of America is due mainly to its system of protective laws.—Prince Bismarck.

The Democratic leaders have been for years making loud declarations against corporations and trusts and railroads and have, nevertheless, instituted no legislative steps in all this time for the purpose of restraining abuses. They are now indignant that the Republican party, in carrying out the promises of its own platform, is putting into practice the principles which they, with a superb self-complacency, claim are really covered by a Democratic patent.—Hon. Wm. H. Taft, at Greensboro, North Carolina.

*Production of gold and silver in the world since the discovery of America.*

[From 1493 to 1885, from a table of averages compiled by Dr. Adolph Soetbeer; since the latter date, the estimates of the Director of the Mint.]

Period.	Gold.			Silver.		
	Total for period.		Annual average for period.	Total for period.		Annual average for period.
	Ounces, fine.	Value.		Ounces, fine.	Coining value.	
		Dollars.	Dollars.		Dollars.	Dollars.
1493-1520.	5,221,160	107,331,000	3,255,000	42,309,400	54,703,000	1,951,000
1521-1544.	5,321,556	114,205,000	4,759,000	69,546,320	89,986,000	3,740,000
1545-1560.	4,377,544	90,422,000	5,656,000	160,287,000	207,240,000	13,952,000
1561-1580.	4,338,120	90,917,000	4,546,000	132,575,500	218,960,000	12,450,000
1581-1620.	5,475,500	113,248,000	5,662,000	271,924,700	351,579,000	17,579,000
1621-1690.	4,745,340	96,005,000	4,905,000	269,352,700	348,254,000	17,413,000
1691-1640.	5,333,000	110,324,000	5,516,000	253,061,900	327,221,000	16,361,000
1641-1690.	5,639,110	116,571,000	5,626,000	245,530,000	304,575,000	15,239,000
1691-1680.	5,554,180	123,084,000	6,154,000	216,691,000	280,166,000	14,006,000
1681-1700.	6,921,295	143,088,000	7,154,000	219,541,700	284,240,000	14,212,000
1701-1720.	8,243,260	170,403,000	8,520,000	235,650,500	295,629,000	14,781,000
1721-1740.	12,268,140	253,611,000	12,681,000	277,261,600	353,480,000	17,924,000
1741-1760.	15,224,230	327,116,000	16,356,000	342,812,235	443,232,000	22,162,000
1761-1780.	13,813,315	275,211,000	13,761,000	419,711,220	542,858,000	27,133,000
1781-1800.	11,438,870	236,464,000	11,823,000	505,235,500	730,810,000	38,540,000
1801-1810.	5,715,827	113,192,000	11,615,000	287,469,225	371,677,000	37,168,000
1811-1820.	3,779,568	76,063,000	7,606,000	173,857,555	224,789,000	22,479,000
1821-1830.	4,570,444	94,479,000	9,448,000	148,070,000	191,444,000	19,144,000
1831-1840.	6,529,913	131,941,000	13,484,000	131,756,555	247,939,000	24,793,000
1841-1850.	17,605,018	363,928,000	36,393,000	250,903,422	324,400,000	32,440,000
1851-1855.	32,051,621	692,566,000	132,513,000	142,442,368	184,159,000	36,331,000
1856-1860.	35,431,312	670,415,000	124,083,000	145,477,142	188,022,000	37,615,000
1861-1865.	29,745,913	614,944,000	122,989,000	177,009,862	228,861,000	45,772,000
1866-1870.	31,570,430	648,071,000	129,614,000	215,257,214	278,313,000	55,663,000
1871-1875.	27,253,088	577,863,000	115,577,000	316,585,060	409,828,000	81,964,000
1876-1880.	27,715,790	572,331,000	114,568,000	333,573,000	509,258,000	101,851,000
1881-1885.	25,973,773	495,382,000	99,116,000	460,019,722	594,773,800	118,955,000
1886-1890.	27,306,411	564,474,000	112,836,000	544,537,155	704,674,000	140,915,000
1891.	6,320,194	130,690,000	130,690,000	137,170,919	177,852,800	177,852,800
1892.	7,094,266	146,631,900	146,631,900	153,151,732	198,614,400	198,614,400
1893.	7,615,311	157,494,800	157,494,800	195,475,621	219,244,400	219,244,400
1894.	8,794,362	181,175,600	181,175,600	194,670,334	212,829,600	212,829,600
1895.	9,615,190	198,763,900	198,763,900	187,800,940	214,566,200	214,566,200
1896.	9,739,914	202,281,900	202,281,900	187,061,576	208,085,200	208,085,200
1897.	11,420,068	236,073,700	236,073,700	190,421,062	207,415,000	207,415,000
1898.	13,877,806	286,579,700	286,579,700	199,065,245	218,768,000	218,768,000
1899.	14,887,775	306,724,100	306,724,100	198,387,453	217,748,000	217,748,000
1900.	12,315,157	254,576,300	254,576,300	173,391,364	214,441,200	214,441,200
1901.	12,625,257	260,092,900	260,092,900	173,611,365	223,297,800	223,297,800
1902.	14,354,680	296,737,900	296,737,900	182,763,463	219,441,300	219,441,300
1903.	15,652,690	327,702,500	327,702,500	187,669,322	244,510,300	244,510,300
1904.	19,804,372	347,377,200	347,377,200	194,196,296	212,297,800	212,297,800
1905.	18,298,496	377,647,700	377,647,700	189,598,539	219,247,300	219,247,300
1906.	19,366,550	400,312,100	400,312,100	155,754,843	214,327,200	214,327,200
1907.		403,000,000	403,000,000			
Total	584,221,094	12,480,150,600		9,831,584,085	12,711,675,300	

The depression and ruin that was inaugurated with that tariff revision by the Democratic party is vivid in the minds of all.—Hon. P. P. Campbell, in Congress, April 1, 1904.

The railways can blame no one but themselves if the revelation of the flagrant violations of law and of their unjust administration of a public trust have led to an outburst of popular indignation and have brought on temporary excess.—Hon. Wm. H. Taft, at Columbus, Ohio.

The nation has appreciated the valor and patriotism of the black men of the United States. They not only fought in Cuba, but in the Philippines, and they are still carrying the flag as the symbol of liberty and hope to an oppressed people.—President McKinley to colored citizens, at Chicago, Oct.

Much money has been spent on sea harbors and the mouths of our rivers at the sea, but comparatively little upon the internal waterways which nature has furnished to the country and which form highways of travel from one border of it to the other. The call from the country for the development of a well-thought-out plan for the improvement of all these waterways is so emphatic that it cannot longer be resisted.—Hon. Wm. H. Taft, at Kansas City, Mo.



*Growth in coal production in free-trade Great Britain, compared with that of the protection countries, United States, Germany, and France; also the total coal production of the world and the per cent supplied by the United States at quinquennial periods from 1870 to 1895, and annually from 1896 to 1906, in tons of 2,000 pounds.*

• [From reports of the United States Geological Survey.]

Year.	United States.	Great Britain.	Germany.	France.	Total production of the world.	Per cent of U.S.
	Short tons.	Short tons.	Short tons.	Short tons.	Short tons.	
1870.....	33,035,590	123,682,935	37,488,312	14,530,716	234,850,088	14.07
1875.....	52,348,320	149,303,263	52,703,970	18,694,916	308,479,177	16.97
1880.....	71,481,570	164,605,738	65,177,634	21,346,124	369,413,780	20.62
1885.....	111,160,295	178,473,588	81,227,255	21,510,359	447,788,832	24.82
1890.....	157,770,963	208,408,003	98,398,500	28,756,638	563,693,232	27.99
1895.....	193,117,530	212,320,725	114,561,318	30,877,922	644,177,076	29.98
1896.....	191,986,357	218,804,611	123,943,159	32,167,270	664,001,718	28.92
1897.....	200,229,199	226,386,523	132,762,882	33,038,987	697,213,515	28.72
1898.....	219,976,267	226,301,058	144,283,196	35,656,426	738,129,608	29.80
1899.....	253,741,192	246,506,155	149,719,763	36,215,026	801,976,021	31.63
1900.....	269,684,027	252,208,056	164,805,202	36,811,536	846,041,848	31.88
1901.....	293,290,816	245,332,578	168,217,082	35,596,536	870,971,104	33.69
1902.....	301,590,439	254,846,447	165,826,496	33,286,146	888,453,950	33.95
1903.....	357,356,416	257,974,605	179,076,630	38,466,873	972,195,531	36.76
1904.....	351,816,398	260,819,665	186,785,378	37,663,849	983,527,562	35.78
1905.....	392,722,635	264,464,408	191,576,074	38,951,360	1,034,136,604	37.98
1906.....	414,157,278	281,195,748	222,350,526	37,823,931	*1,106,478,707	37.43

\*Latest available figures are used in making up totals for 1906.

(From page 630, Mineral Resources of the United States, 1906.)

#### *Our exports to the Orient in 1907 compared with 1890.*

The following table shows the exportation of leading articles from the United States to China, Hongkong, Japan, Asiatic Russia, Australasia, Hawaii, and the Philippine Islands in the fiscal years 1890, 1897, and 1907, respectively:

Articles.	1890.	1897.	1907.
	Dollars.	Dollars.	Dollars.
Iron and steel, manufactures of.....	2,928,971	7,651,044	23,771,958
Cotton cloth.....	1,532,181	7,767,361	8,544,451
Mineral oils.....	7,246,111	10,783,435	15,022,782
Breadstuffs.....	3,521,936	8,265,895	19,399,831
Cotton, and manufactures of.....	85,211	2,351,758	14,317,085
Tobacco, and manufactures of.....	2,017,508	2,127,181	6,151,259
Wood, and manufactures of.....	2,117,053	2,413,205	6,166,514
Chemicals.....	1,070,462	1,597,054	2,605,447
Leather, and manufactures of.....	733,290	1,129,933	3,786,130
Paper and manufactures of.....	128,277	781,955	2,067,977
Carriages and cars.....	424,952	1,161,365	1,808,001
Provisions.....	518,190	602,120	2,177,441
Agricultural implements.....	575,254	527,130	1,968,416
Fertilizers.....	114,988	324,006	883,320
Fruits and vegetables.....	441,430	533,482	1,277,127

I believe that the protective system has been a mighty instrument for the development of our national wealth and a most powerful agency in protecting the homes of our workingmen.—Harrison.

The highest claim of William McKinley for the gratitude of his countrymen is that, in spite of the abuse and contumely that was heaped upon his head for this policy, he placed our country in the forefront of nations as a civilizer and uplifter of unfortunate peoples.—Hon. Wm. H. Taft, at Cleveland, Ohio.

I believe that a navy is the greatest insurer of peace that we could possibly have—a navy commensurate with our resources, and commensurate with our coast line, and commensurate with the number of dependencies we have, and commensurate with our population, and commensurate with our influence as a world power.—Hon. Wm. H. Taft, at Cleveland, Ohio.

*Relative advance in prices of free and dutiable articles, respectively (denominated by the Democratic Campaign Book as "Controlled by Trusts"), 1896 to 1907.*

**Items on free list.**

	July, 1896.	July, 1901.	July, 1902.	July, 1903.	Janu- ary, 1904.	Decem- ber, 1907.
Anthracite stove coal (f. o. b. New York).....per ton..	\$3.881	\$4.236	-----	\$4.80	\$4.75	\$4.9503
Anthracite broken coal (f. o. b. New York).....per ton..	3.228	3.509	-----	4.55	5.00	4.2047
Copper, lake, ingot (New York).....per pound..	.115	.17	\$0.1225	.1425	.125	.14
Jute, spot.....do.....	.035	.085	.0325	.045	.045	5.5
Petroleum, crude (at well).....per barrel..	1.0825	1.1337	1.22	1.50	1.85	1.78
Petroleum, refined, per gallon..	.069	.069	.074	.14	.15	.1350
Rubber, island.....per pound..	.84	.86	.77	.87	.94	.78
Sisal, spot.....do.....	.0362	.0562	.095	.0762	.075	6.5
Binder twine.....do.....	.0675	.0975	.1425	.145	.145	42.00

**Items on dutiable list.**

	July, 1896.	July, 1901.	July, 1902.	July, 1903.	Janu- ary, 1904.	Decem- ber, 1907.
Alcohol (94 per cent).....per gal..	\$2.31	\$2.43	\$2.51	\$2.48	\$2.40	\$2.63
Brick.....per thousand..	5.25	5.75	6.25	5.25	-----	5.50
Bread, Boston crackers.....per lb..	.065	.08	-----	.08	.07	.09
Cotton flannels.....per yard..	.065	.0625	-----	.08	-----	a.10
Cement, Rosendale.....per bbl..	.85	.100	.95	.90	.95	.95
Fish, canned salmon.....per doz..	1.65	1.70	1.65	1.65	1.65	b1.65
Ginghams.....per yard..	.0425	.0475	-----	.08	.08	c.07
Glassware, pitchers.....per doz..	1.25	1.30	1.30	1.30	1.15	1.05
Wire nails.....per keg..	3.15	2.40	2.10	2.05	2.00	2.15
Cut nails.....do.....	2.90	2.10	2.05	2.20	1.95	2.1250
Fresh beef sides.....per lb..	.075	.09	-----	1.25	.125	.0970
Salt beef.....per bbl..	16.00	21.50	22.50	11.50	11.00	10.6250
Salt pork.....do.....	8.25	16.75	19.75	17.75	13.50	15.1250
Hams, smoked.....do.....	.10	.115	.125	.1375	.12	.1068
Pig iron, foundry, Philadelphia.....per ton..	12.75	15.87	22.75	18.50	15.00	13.94
Rice.....per lb..	.0525	.0537	.0575	.55	.04	.06
Sugar, centrifugal.....do.....	.035	.0425	.0337	.0356	.0347	.03794
Sugar, granulated.....do.....	.046	.0524	.0475	.047	.0436	.0455
Steel rails, Pittsburg.....per ton..	28.00	28.00	28.00	28.00	28.00	.28

a 2½ yards to the pound.

b August, 1907.

c Amoskeag.

The way to help labor is to provide it with steady work and good wages and then to have those good wages always paid in good money.—Maj. McKinley to delegation of workmen, August 24, 1896.

I believe it is a good deal better to open the mills of the United States to the labor of America than to open the mints of the United States to the silver of the world.—Maj. McKinley to his comrades of the 23d Ohio Regiment, at Canton, August 12, 1896.

The avowed policy of the National administration of these two Presidents has been and is to govern the Islands, having regard to the interest and welfare of the Filipino people, and by the spread of general primary and industrial education and by practice in partial political control to fit the people themselves to maintain a stable and well-ordered government affording equality of right and opportunity to all citizens.—Hon. Wm. H. Taft, in special report to the President.

In spite of the general comfort, there have been made manifest by signs not to be misunderstood, a quickening of the public conscience and a demand for the remedy of abuses, the outgrowth of this prosperity, and for a higher standard of business integrity. Every lover of his country should have a feeling of pride and exaltation in this evidence that our society is still sound at the core.—Hon. Wm. H. Taft, at Columbus, Ohio.

## Commerce of the World Since 1830.

This table showing the commerce of the principal countries of the world at intervals from 1830 to 1907 will be useful for reference in considering the question as to the effect of high or low tariffs upon trade of the countries utilizing these respective systems. It will be noted that the commerce of the most highly protective countries shows in nearly all cases a higher percentage of gain, comparing 1907 with 1897 or 1890, than does that of the United Kingdom, the sole remaining representative of the low tariff, or free trade principle. The foreign commerce of the United Kingdom in 1907 is 47 per cent greater than that of 1890; that of France, 50 per cent; Germany, 109 per cent; and the United States, 116 per cent greater in 1907 than in 1890.

*Commerce of the World since 1830.*  
[Aggregate of imports for consumption and domestic exports in millions of dollars.—Mullhall's figures prior to 1890.]

Country.	1830.	1840.	1850.	1860.	1870.	1880.	1890.	1897.	1903.	1907.
United Kingdom	422	547	811	1,800	2,625	3,350	3,552	3,389	4,058	5,217
France	197	317	456	801	1,089	1,627	1,493	1,450	1,747	2,237
Germany	220	249	336	624	1,017	1,411	1,761	1,946	2,621	3,681
Russia	134	158	192	230	494	629	566	613	807	1,083
Austria-Hungary	72	105	139	225	398	513	411	969	813	940
Italy	66	144	132	249	317	437	451	438	652	821
Spain	33	48	53	130	107	240	283	301	257	325
Portugal	14	19	24	38	48	67	86	73	97	100
Holland and Belgium	144	216	293	413	653	1,137	1,488	1,915	2,614	3,010
United States	105	197	297	653	722	1,478	1,536	1,815	2,453	3,318
Spanish America	168	230	336	451	648	768	797	826	965	1,402
India	48	96	144	249	408	518	629	449	761	891
British colonies, other	43	101	211	494	614	974	1,430	1,550	2,292	2,763
Other countries	264	323	326	553	1,200	1,351	2,287	3,020	2,866	3,733
The world	1,960	2,750	3,800	7,200	10,500	14,500	16,800	18,500	23,061	29,109

c 1901.  
d Various years, 1901 to 1906.

The theory of free trade between nations is as fallacious, impracticable, and utterly absurd as is that of free love between families.—Hon. B. F. Jones.

Abating none of our interest in the home market, let us move out to new fields steadily and increase the sale for our products in foreign markets.—President McKinley to Commercial Club, Cincinnati, Oct. 30, 1897.

Instead of making a panic, the national policy of ending the lawlessness of corporations in interstate commerce, and of taking away their power of issuing, without supervision, stocks and bonds, will produce a change in their management and remove one fruitful cause for loss of public confidence.—Hon. Wm. H. Taft, to Merchants and Manufacturers Association, Boston, Mass.

*Financial and commercial statistics of the principal countries of the world in the latest year for which figures are available.*

	Area.	Popula- tion.	Foreign commerce.			Revenue.	Expendi- ture.	Excess of revenues (+) or ex- penditures (-).	National debt.			Per capita of		
			Imports.	Exports.	Excess im- ports (-) or exports (+).				Total debt.	Rate of interest.	Interest and other annual charges.	Debt.	Interest.	Revenue.
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.		Dollars.	Dollars.	Dollars.	Dollars.
<b>Argentina</b>	1,185,810	5,678,000	197,974,000	311,514,000	113,570,000	101,915,000	98,380,000	+	3,635,000	4 1/4	30,222,000	78,27	5.32	17.05
<b>Commonwealth of Australia</b>	2,472,573	4,048,000	217,676,000	322,948,000	104,872,000	165,748,000	184,971,000	+	777,000	3	44,125,000	278,80	10.80	40.95
<b>Austria-Hungary</b>	241,323	47,355,000	475,808,000	473,180,000	-	72,008,000	72,008,000	-	-	3	48,215,000	23,07	1.02	1.52
<b>Austria</b>	115,933	27,241,000	-	-	-	369,895,000	369,295,000	+	600,000	3	42,157,000	30,03	1.55	13.58
<b>Belgium</b>	125,440	20,114,000	-	-	-	261,832,000	262,946,000	+	1,014,000	3	44,356,000	54,82	2.21	13.03
<b>Brazil</b>	11,373	7,161,000	666,625,000	539,211,000	127,114,000	107,891,000	100,367,000	+	1,506,000	2 1/2	24,926,000	86,81	3.48	15.00
<b>Canada</b>	3,919,900	14,334,000	197,227,000	293,632,000	66,425,000	118,339,000	113,238,000	+	4,961,000	4	512,213,000	37,83	2.43	8.26
<b>Chile</b>	3,048,710	6,441,000	290,361,000	246,587,000	33,774,000	78,007,000	54,961,000	+	23,946,000	2 1/2	13,145,000	33,44	2.04	12.11
<b>China</b>	279,901	3,293,000	71,868,000	103,223,000	31,355,000	56,559,000	56,559,000	-	-	5	5,111,000	29,55	1.58	17.46
<b>Cuba</b>	4,277,130	133,553,000	335,191,000	193,185,000	142,006,000	62,710,000	71,896,000	+	9,185,000	4	39,176,000	1,46	0.64	14
<b>Denmark</b>	43,000	1,573,000	104,461,000	104,099,000	362,392,000	29,616,000	13,896,000	+	10,612,000	5	2,582,000	30,22	1.64	13.82
<b>Egypt</b>	15,350	2,573,000	164,837,000	142,991,000	23,846,000	22,920,000	23,014,000	+	96,000	3	2,127,000	24,95	0.83	8.90
<b>France</b>	883,900	9,821,000	129,115,000	138,469,000	9,354,000	67,332,000	64,387,000	+	2,495,000	3	22,746,000	47,60	2.32	6.86
<b>German Empire</b>	207,05	39,300,000	1,107,106,000	1,069,612,000	97,584,000	715,074,000	715,374,000	-	890,000	3	237,855,000	143,90	6.05	18.19
<b>Italy</b>	208,830	30,478,000	2,046,137,000	1,634,893,000	411,234,000	570,523,000	572,600,000	+	2,087,000	3	39,378,000	14,21	.50	9.47
<b>Japan</b>	1,709,640	294,391,000	334,379,000	513,186,000	178,807,000	412,825,000	404,260,000	+	8,565,000	2 1/2	37,000,000	3,83	.18	1.40
<b>Netherlands</b>	117,654	47,975,000	582,775,000	357,337,000	225,438,000	470,595,000	440,504,000	+	30,082,000	3	130,803,000	82,37	3.80	14.00
<b>Norway</b>	19,53	2,311,000	1,012,736,000	835,637,000	95,143,000	216,333,000	246,365,000	+	-	4	72,752,000	19,43	1.52	5.14
<b>Peru</b>	124,130	2,300,000	88,706,000	59,813,000	33,675,000	71,452,000	48,215,000	+	2,954,000	3	12,578,000	16,22	3.83	3.77
<b>Russia</b>	713,83	4,500,000	31,668,000	28,018,000	6,950,000	26,823,000	36,911,000	+	3,308,000	2 1/2	14,719,000	81,91	2.63	12.78
<b>Spain</b>	8,693,205	14,000,000	327,070,000	554,822,000	227,752,000	1,451,398,000	74,769,000	+	389,000	3	3,759,000	39,71	1.63	11.61
<b>Sweden</b>	194,78	18,618,000	204,401,000	184,291,000	20,110,000	172,763,000	12,566,000	+	199,140,000	3	173,896,000	29,64	1.23	10.29
<b>Switzerland</b>	172,57	5,981,000	372,655,000	335,148,000	37,507,000	51,836,000	105,675,000	+	7,663,000	2 1/2	69,356,000	98,25	3.72	9.39
<b>United Kingdom</b>	13,976	8,459,000	111,669,000	222,510,000	89,149,000	21,666,000	51,326,000	+	2,430,000	3	1,088,000	19,40	.70	9.35
<b>United States</b>	121,37	43,221,000	3,143,293,000	2,074,125,000	1,069,168,000	700,667,000	833,801,000	+	16,896,000	2 1/2	150,295,000	88,82	2.47	16.21
	3,026,78	85,817,000	1,123,230,000	1,895,326,000	472,636,000	663,140,000	578,904,000	+	84,236,000	2	24,481,000	10,22	.55	7.70



*Actual annual expenditures of the principal nations of the world, showing relative growth since 1890.*

[From official reports of the respective countries.]

Year.	France. (Years end- ing Decem- ber 31.)	Italy. (Years end- ing June 30.)	Russia. (Years end- ing Decem- ber 31.)	Germany. (Years end- ing March 31.)	United Kingdom. (Years end- ing March 31.)	United States (C. (Years end- ing June 30.)
	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.	Dollars.
1891	625,327,008	357,522,162	596,891,355	378,850,277	320,651,089	375,372,685
1892	652,408,549	346,645,639	549,222,352	356,620,705	337,643,908	315,023,831
1893	666,027,675	335,613,577	537,691,667	358,790,355	439,811,714	333,477,974
1894	671,635,212	369,044,948	605,294,231	366,963,965	444,325,300	307,525,263
1895	662,765,952	348,743,946	705,338,498	386,140,407	457,053,549	350,105,348
1896	664,357,114	355,387,625	767,410,468	379,572,920	475,770,243	352,179,443
1897	680,138,988	336,856,554	763,718,085	387,674,011	493,839,210	365,774,100
1898	680,844,255	334,436,971	912,688,680	415,588,001	500,938,015	443,368,583
1899	692,758,246	334,380,500	919,332,840	441,658,400	526,313,123	505,072,183
1900	723,163,163	336,344,569	972,946,310	466,620,682	650,760,094	487,713,792
1901	724,387,548	342,349,821	965,242,335	522,838,214	803,451,353	502,997,353
1902	715,970,225	364,739,627	1,116,065,473	532,221,835	951,508,570	471,190,555
1903	694,265,063	361,763,279	1,085,552,440	532,295,493	897,789,065	506,000,007
1904	702,337,904	365,298,730	1,406,914,024	561,088,068	714,677,368	582,402,321
1905	715,419,899	367,244,773	1,650,447,749	492,195,257	690,831,293	597,478,913
1906	715,883,610	403,003,761	1,293,150,939	522,445,272	683,801,430	568,784,709
1907	739,425,839	438,672,241	b1,324,529,695	a79,280,100	678,461,119	578,903,718
1908				a617,911,201		

a Appropriations passed.

b Budget estimates.

c Net ordinary expenses, exclusive of premiums, principal or public debt, and expenditures for postal service paid from revenues thereof.

f Provisional figures.

*Total actual expenditures and per capita expenditures of the principal countries of the world, in the latest year for which figures are available.*

Countries.	Population.	Expenditure.	Per capita expenditure.
Argentina	5,678,000	\$98,330,000	\$17.33
Australian Commonwealth	4,018,000	161,971,000	40.75
Belgium	7,161,000	109,367,000	15.27
Canada	6,440,000	51,061,000	8.39
Cuba	1,573,000	18,998,000	12.08
France	39,300,000	715,420,000	18.20
Germany	60,478,000	522,445,000	8.64
Italy	33,601,000	367,245,000	13.11
Japan	47,975,000	246,363,000	5.14
Netherlands	5,592,000	74,760,000	13.37
Portugal	5,182,000	68,096,000	12.22
Russia	141,000,000	1,650,448,000	11.71
Spain	18,618,000	185,675,000	8.90
Sweden	5,291,000	51,826,000	9.85
United Kingdom	43,221,000	678,461,000	15.69
United States	85,817,000	578,904,000	6.75

Not open mints for the unlimited coinage of the silver of the world, but open mills for the full and unrestricted labor of the American workmen.—Maj. McKinley's letter of acceptance.

The panic was doubtless chiefly due to the exhaustion of the free capital of the world by reason of the over-investment in enterprises that have not been as productive as expected. The enormous industrial expansion has at last tied up nearly all the world's capital which was available and new investments had to halt. This result was world-wide.—Hon. Wm. H. Taft, at Kansas City, Mo.

**Popular and Electoral Vote in Presidential Elections from 1856 to 1904.**

*Showing number of votes cast for Republican and Democratic candidates, the electoral vote, and the per cent given to the Republican candidates in each presidential election from 1854 to 1904.*

Year.	Popular vote.				Electoral vote.			
	Dem- ocratic.	Repub- lican.	Other parties.	Total.	Per cent Republ	emo- cratic.	Repub- lican.	Other parties.
1856	1,838,169	1,341,264	257,454	4,053,967	33.1	174	114	266
1860 <sup>b</sup>	1,375,157	1,868,352	—	4,076,853	39.9	12	180	303
1864	1,808,725	2,216,067	—	4,024,792	55.1	21	212	233
1868	1,845,763	3,015,071	—	5,724,084	52.7	21	214	234
1872	2,709,613	3,697,070	—	6,466,165	56.6	42	286	319
1876	2,584,079	3,597,070	—	6,410,007	48.3	181	185	369
1880	4,284,885	4,083,950	35,016	9,211,428	48.3	155	214	369
1884	4,442,085	4,440,950	91,262	9,211,428	48.3	155	214	369
1888	4,911,017	4,848,334	285,634	10,044,985	48.2	219	182	401
1892	5,536,524	5,441,923	301,014	11,369,461	47.9	277	145	422
1896	5,551,267	5,175,201	1,338,096	12,064,564	43.0	277	176	447
1900	6,503,105	7,101,439	314,545	13,919,119	51.2	155	292	447
1904	6,353,193	7,397,923	383,597	13,959,653	51.6	140	336	476
1908	5,079,041	7,820,337	807,590	13,506,968	55.4	—	—	—

<sup>a</sup> American party.

<sup>b</sup> S. A. Douglas, Democratic (Northern), polled 1,375,157 votes and carried 2 States having 12 electoral votes; J. C. Breckenridge, Democrat (Southern), polled 845,763 votes and carried 11 States having 72 electoral votes.

<sup>c</sup> Constitutional Union party, John Bell, nominee.

<sup>d</sup> Eleven Southern States with 81 electoral votes refrained from voting.

<sup>e</sup> Three Southern States (Mississippi, Texas and Virginia), with 23 electoral votes, refrained from voting.

<sup>f</sup> Seventeen votes rejected, viz., 2 from Georgia, and 8 from Louisiana, and 6 from Arkansas, for Grant.

<sup>g</sup> People's party, J. B. Weaver.

Not open mints for the unlimited coinage of the silver of the world, but open mills for the full and unrestricted labor of the American workingmen.—Maj. McKinley's letter of acceptance.

You cannot help the farmer by coining more silver; he can only be helped by more consumers for his products.—Maj. McKinley to delegation of farmers, August 24, 1896.

Vigorous action and measures to stamp out existing abuses and effect reform are necessary to vindicate society as at present constituted. Otherwise, we must yield to those who seek to introduce a new order of things on a socialistic basis.—Hon. Wm. H. Taft, at Kansas City, Mo.

Any unjust discrimination in the terms upon which transportation of freight or passengers is afforded an individual or a locality paralyzes and withers the business of the individual or the locality exactly as the binding of the arteries and veins leading to a member of the human body destroys its life.—Hon. Wm. H. Taft, at Columbus, Ohio.

Only twice in all that remarkable history of 48 years have we lost the confidence of the people of the United States to the point of their turning over the government to a Democratic executive. I venture to say that neither in this nor in any other country can be disclosed such a remarkable record of arduous deeds done as in that history of a half a century of the Republican party.—Hon. Wm. H. Taft, at Kansas City, Mo.

*Party divisions in Congress since the formation of the Republican Party in 1856.*

Congress.	Years.	Senate.			House.		
		Dem.	Rep.	Ind.	Dem.	Rep.	Ind.
35-----	1857-1859	39	20	5	131	92	14
36-----	1859-1861	38	26	2	101	113	23
37-----	a1861-1863	10	31	2	42	106	28
38-----	a1863-1865	9	36	5	75	102	9
39-----	*1865-1867	11	41	-----	40	145	-----
40-----	1867-1869	11	42	-----	49	143	-----
41-----	1869-1871	11	58	-----	78	151	-----
42-----	1871-1873	17	57	-----	103	138	b5
43-----	1873-1875	20	47	b7	92	194	14
44-----	1875-1877	29	43	b2	168	107	-----
45-----	1877-1879	39	36	b1	151	142	-----
46-----	1879-1881	44	32	-----	148	129	c16
47-----	1881-1883	38	37	d1	138	146	c10
48-----	1883-1885	36	e40	-----	198	124	c1
49-----	1885-1887	34	42	-----	204	120	c1
50-----	1887-1889	37	39	-----	168	153	4
51-----	1889-1891	37	39	-----	159	166	-----
52-----	1891-1893	39	47	f2	236	89	f8
53-----	1893-1895	44	38	f3	230	126	f8
54-----	1895-1897	39	42	f5	104	246	f7
55-----	1897-1899	34	46	h10	1134	206	j19
56-----	1899-1901	26	53	l11	163	185	k9
57-----	1901-1903	29	56	n3	153	198	m5
58-----	1903-1905	32	58	-----	174	206	o2
59-----	1905-1907	32	58	-----	138	250	-----
60-----	1907-1909	29	61	-----	164	222	-----

Parties as constituted at the beginning of each Congress are given. These figures were liable to change by contests for seats, etc.

a During the Civil War most of the Southern States were unrepresented in Congress.

b Liberal Republicans. c Greenbackers. d David Davis, Independent, of Illinois.

e Two Virginia Senators were Readjusters, and voted with the Republicans.

f People's party, except that in the House of Representatives of the Fifty-fourth Congress one member is classed as Silver party.

g Three Senate seats were vacant (and continued so) and two Representative seats were unfilled (Rhode Island had not yet effected a choice) when the session began. Rhode Island subsequently elected two Republicans.

h Five Populists, two Silver party, three Independents. i Including fifteen members classed as Fusionists. j Including three members classed as Silver party. There was one vacancy.

k Six Populists, three Silver party.

l Five Populists, one Silver party, two Independents, and three vacancies.

m Three Populists, one Silver party, one Fusion party, one vacancy.

n One Populist, one Silver party, one Fusionist, two vacancies.

o Two Union Labor and two vacancies—one Democratic, one Republican.

You cannot get consumers through the mints; you get them through the factories.—Maj. McKinley to delegation of farmers, Aug. 24, 1896.

Resuscitation will not be prompted by recrimination. The distrust of the present will not be relieved by a distrust of the future. A patriot makes a better citizen than a pessimist.—President McKinley before Manufacturers' Club, Philadelphia, June 2, 1897.

Nothing should ever tempt us—nothing ever will tempt us—to scale down the sacred debt of the nation through a legal technicality.—President McKinley before National Association of Manufacturers, New York, Jan. 27, 1898.

The administration of exact justice by courts without fear or favor, unmoved by the influence of the wealthy or by the threats of the demagogue, is the highest ideal that a government of the people can strive for, and any means by which a suitor, however unpopular or poor, is deprived of enjoying this is to be condemned.—Hon. Wm. H. Taft, at Columbus, Ohio.

A railroad company engaged in interstate commerce should not be permitted to issue stock or bonds and put them on sale in the market except after a certificate by the interstate commerce commission that the securities are issued with the approval of the commission for a legitimate railroad purpose.—Hon. Wm. H. Taft, at Columbus, Ohio.

*The Electoral College in 1908.*

States.	1908	States.	1908
Alabama	11	New Hampshire	4
Arkansas	9	New Jersey	12
California	10	New York	39
Colorado	5	North Carolina	12
Connecticut	7	North Dakota	4
Delaware	3	Ohio	23
Florida	5	Oklahoma	7
Georgia	13	Oregon	4
Idaho	3	Pennsylvania	34
Illinois	27	Rhode Island	4
Indiana	15	South Carolina	9
Iowa	13	South Dakota	4
Kansas	10	Tennessee	12
Kentucky	13	Texas	18
Louisiana	9	Utah	3
Maine	6	Vermont	4
Maryland	8	Virginia	12
Massachusetts	16	Washington	5
Michigan	14	West Virginia	7
Minnesota	11	Wisconsin	13
Mississippi	10	Wyoming	3
Missouri	18		
Montana	3	Total	483
Nebraska	8	Necessary to a choice	242
Nevada	3		

*Presidential vote and political record by States, 1864 to 1904.*

Votes, 1904.	Party receiving electoral vote in—										
	'64	'68	'72	'76	'80	'84	'88	'92	'96	1900	'04
Alabama	11	*	R	R	D	D	D	D	D	D	D
Arkansas	9	*	R	R	D	D	D	D	D	D	D
California	10	R	R	*	R	R	R	D	D	D	D
Colorado	5	*	R	R	D	D	D	D	D	D	D
Connecticut	7	R	D	R	D	D	D	D	D	D	D
Delaware	3	D	D	R	D	D	D	D	D	D	D
Florida	5	*	D	R	D	D	D	D	D	D	D
Georgia	13	*	*	D	D	D	D	D	D	D	D
Idaho	3	*	*	*	*	*	*	D	D	D	D
Illinois	27	R	R	R	R	R	R	R	R	R	R
Indiana	15	R	R	R	R	R	R	R	R	R	R
Iowa	13	R	R	R	R	R	R	R	R	R	R
Kansas	10	R	R	R	R	R	R	R	R	R	R
Kentucky	13	D	D	D	R	R	R	R	R	R	R
Louisiana	9	*	D	D	R	R	R	R	R	R	R
Maine	6	R	R	D	R	R	R	R	R	R	R
Maryland	8	R	R	D	R	R	R	R	R	R	R
Massachusetts	16	R	R	R	R	R	R	R	R	R	R
Michigan	14	R	R	R	R	R	R	R	R	R	R
Minnesota	11	R	R	R	R	R	R	R	R	R	R
Mississippi	10	*	R	*	R	D	D	D	D	D	D
Missouri	18	R	*	R	D	D	D	D	D	D	D
Montana	3	*	*	*	*	*	*	D	D	D	D
Nebraska	8	*	*	R	R	R	R	R	R	R	R
Nevada	3	R	R	R	R	R	R	R	R	R	R
New Hampshire	4	R	R	R	D	D	D	D	D	D	D
New Jersey	12	D	D	D	D	D	D	D	D	D	D
New York	39	R	D	R	R	R	R	R	R	R	R
North Carolina	12	*	*	R	D	D	D	D	D	D	D
North Dakota	4	*	*	*	*	*	*	D	D	D	D
Ohio	23	R	R	D	R	R	R	R	R	R	R
Oregon	4	R	R	D	R	R	R	R	R	R	R
Pennsylvania	34	R	R	R	R	R	R	R	R	R	R
Rhode Island	4	R	R	R	R	R	R	R	R	R	R
South Carolina	9	*	*	R	R	D	D	D	D	D	D
South Dakota	4	*	*	*	*	*	*	D	D	D	D
Tennessee	12	*	*	R	D	D	D	D	D	D	D
Texas	18	*	*	D	D	D	D	D	D	D	D
Utah	3	*	*	*	*	*	*	D	D	D	D
Vermont	4	R	R	*	R	D	D	R	R	R	R
Virginia	12	*	*	R	D	D	D	R	R	R	R
Washington	5	*	*	*	*	*	*	D	D	D	D
West Virginia	7	R	R	R	D	D	D	D	D	D	D
Wisconsin	13	R	R	*	*	*	*	R	R	R	R
Wyoming	3	*	*	*	*	*	*	R	R	R	R

\*No vote.

†One electoral vote given to opposing party.

‡Five electoral votes given to opposing party.



Republican and Democratic vote in all close States in Presidential elections, 1880 to 1904, and in Congressional elections, 1898 to 1906.

[Compiled from New York Tribune Almanac.]

State	1880.		1884.		1888.		1892.		1896.		1900.		1902.		1904.		1906.	
	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.	Rep.	Dem.
California	90,348	29,496	102,416	29,238	124,816	117,729	118,149	113,233	146,568	144,766	164,755	124,985	152,863	126,290	205,256	99,294	155,897	100,960
Colorado	27,450	34,647	36,250	27,723	59,774	37,567	58,620	63,654	56,271	51,269	93,067	122,733	85,297	84,318	134,057	100,105	102,065	76,468
Connecticut	67,071	64,415	65,925	67,190	74,584	71,920	77,032	82,339	110,253	161,740	102,572	74,014	63,666	70,589	111,069	58,115	67,747	78,468
Delaware	14,133	15,275	12,951	16,964	12,973	16,414	18,077	18,581	30,493	16,615	22,537	18,965	21,058	16,390	23,712	19,347	20,210	17,118
Idaho	238,463	244,960	263,361	241,013	255,615	241,013	255,615	302,749	323,754	305,573	27,198	29,414	32,834	24,878	47,783	18,499	45,134	23,818
Illinois	318,037	277,331	337,474	312,355	370,475	348,371	399,283	406,529	6,314	23,162	37,885	603,061	406,160	373,488	632,645	327,695	435,950	322,082
Indiana	232,164	256,522	154,408	90,132	182,904	102,745	157,241	143,111	159,541	171,810	135,093	309,831	206,186	368,949	308,330	274,315	293,132	256,818
Kentucky	106,396	149,008	118,132	152,961	155,134	183,800	135,441	176,461	218,171	217,890	128,154	138,344	229,709	234,002	122,746	153,662	205,277	127,715
Kansas	121,549	59,801	118,132	152,961	155,134	183,800	135,441	176,461	218,171	217,890	128,154	138,344	229,709	234,002	122,746	153,662	205,277	127,715
Maryland	78,515	93,704	85,699	93,704	99,936	106,158	92,738	113,896	136,978	104,748	107,704	101,448	126,212	122,371	100,054	91,006	109,497	92,368
Michigan	185,341	131,597	192,639	149,832	226,337	213,499	222,708	222,708	226,337	226,337	226,337	226,337	226,337	226,337	226,337	226,337	226,337	226,337
Minnesota	93,903	53,315	111,923	70,144	142,492	104,385	122,823	100,929	138,508	139,735	138,797	176,873	316,269	211,035	238,359	158,732	361,863	83,432
Missouri	202,829	235,988	236,253	201,934	227,046	208,400	201,934	208,400	201,934	208,400	201,934	208,400	201,934	208,400	201,934	208,400	201,934	208,400
Montana	54,979	28,523	76,972	54,391	108,425	90,582	87,227	24,934	180,064	115,959	96,509	23,351	32,373	37,146	24,629	19,560	34,932	21,773
Nebraska	8,732	9,613	7,193	5,678	7,233	5,326	2,311	1,939	43,399	43,399	43,399	43,399	43,399	43,399	43,399	43,399	43,399	43,399
Nevada	44,892	40,794	43,249	39,183	45,723	43,456	45,653	42,061	57,444	21,050	43,778	170,063	123,031	53,938	135,319	81,372	123,463	77,807
New Hampshire	120,555	122,595	123,440	127,798	144,360	151,598	159,098	171,042	221,337	133,675	165,120	36,784	54,903	35,489	44,629	30,304	54,777	33,992
New Jersey	559,544	524,511	562,005	565,154	650,338	635,995	699,350	654,893	819,833	551,309	660,893	154,648	221,707	164,899	183,579	164,199	245,164	169,008
New York	115,874	124,203	125,068	145,952	134,784	147,962	109,246	132,950	155,229	174,433	153,334	638,585	821,092	678,386	681,838	653,570	839,583	639,005
North Carolina	375,015	340,821	400,082	368,290	416,054	396,455	405,999	444,112	595,991	477,497	404,690	356,109	543,918	474,882	439,705	337,056	690,005	344,674
Ohio	20,619	19,948	26,890	24,694	33,092	33,092	33,092	42,125	48,779	46,662	42,615	33,921	46,526	43,885	48,082	31,491	60,432	31,491
Oregon	444,704	407,428	473,804	392,785	623,585	444,387	516,011	242,354	728,300	433,230	532,898	356,650	712,965	624,232	619,805	303,201	840,949	235,439
Pennsylvania	18,195	10,779	19,030	19,391	21,909	17,580	29,375	42,356	37,437	14,459	22,809	13,298	13,298	19,813	28,215	27,583	34,589	31,339
Rhode Island	107,877	123,191	124,078	133,258	138,988	158,779	99,351	136,594	141,012	41,295	83,730	106,712	123,008	146,250	53,618	98,766	105,369	131,065
South Carolina	107,877	123,191	124,078	133,258	138,988	158,779	99,351	136,594	141,012	41,295	83,730	106,712	123,008	146,250	53,618	98,766	105,369	131,065
Texas	46,243	57,391	63,066	67,817	78,171	78,677	80,293	29,802	39,163	51,646	39,990	36,385	37,156	44,833	43,710	62,444	33,413	33,413
Vermont	141,640	161,157	146,459	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325
Virginia	141,640	161,157	146,459	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325
Washington	141,640	161,157	146,459	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325
West Virginia	141,640	161,157	146,459	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325
Wisconsin	141,640	161,157	146,459	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325
Wyoming	141,640	161,157	146,459	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325	177,325

a Fusion with Populists.

## WILLIAM HOWARD TAFT

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In William Howard Taft the Republican National Convention has nominated for the Presidency a man exceptionally equipped, not only by nature and training, but by experience and achievement, to perform the delicate and arduous duties of the greatest office in the gift of any people. For nearly thirty years he has given himself with single-minded devotion to the public service. He has displayed throughout a broad grasp of affairs, a literally dauntless courage, an unshakable integrity, a quick and all embracing sympathy, a deep and abiding sense of justice, a marvelous insight into human nature, a sure and unwavering judgment, executive ability of the highest order, and a limitless capacity for hard work. In all the years of its history the Republican party has never selected as its leader in a National Campaign a man so tried beforehand, and so amply proved equal to the task.

### A Family of Jurists.

Mr. Taft comes of a family distinguished in the law and the public service. The first American Tafts came of the English yeomanry, transplanted across the Atlantic by the great upheaval for conscience's sake which peopled New England with its sturdy stock. In this country they turned to the study and practice of the law. Peter Taft was both a maker and an interpreter of laws, having served as a member of the Vermont legislature, and afterwards as a judge. Alphonso Taft, son of Peter, was graduated from Yale College, and then went out to the Western Reserve to practice law. He settled in Cincinnati, and it was at Mt. Auburn, a suburb of that city, on September 15, 1857, that his son, William Howard Taft, first became a presidential possibility.

The boy grew up in an atmosphere of earnest regard for public duty too little known in these days of the colossal and engrossing material development of the country. His father earned distinction in the service of city and state and nation, going from the Superior bench, to which he had been elected unanimously, to the place in Grant's cabinet now held by the son, then, as Attorney General, to the Department of Justice, and finally into the diplomatic service, as minister first to Austria and then to Russia. His mother, who was Miss Louise M. Torrey, also came of that staunch New England stock with whom conscience is the arbiter of action and duty performed the goal of service.

### His Mother's Influence.

It was her express command that sent him away from her last fall when both knew that she was entering upon the last stage of her life. He had promised the Filipinos that he would go to Manila and in person formally open their Assembly. It was to be their first concrete experience in self-government, and he, more than any other man, had made it possible. If he should not keep his promise there was danger that the suspicious Filipinos would impute his failure to sinister motives, to indifference or altered purpose, with result vastly unfortunate to them and to us. Mr. Taft saw all that very clearly, yet in view of his mother's health he would have remained at home. But she forbade. She said his duty lay to the people he had started on the path to liberty, and although it involved what each thought to be the final parting she commanded him to go. He went and before he could return his mother had passed away.

Much was to be expected of a boy of such parentage, and young Taft fulfilled the expectation. He began by growing big physically. He has a tremendous frame. The cartoonists have made a false presentment of him familiar to the country by draw-

ing him always as a mountain of flesh. But if they had gone to the same extreme of leanness, and still honestly protrayed his frame they would have represented a man above the average weight.

#### At College.

Of course he went to Yale. His father had been the first alumnus elected to the corporation, and when young Taft had completed his preparatory course at the public schools of Cincinnati he went to New Haven for his college training. He was a big, rollicking, good natured boy, who liked play but still got fun out of work. He did enough in athletics to keep his 225 pounds of muscle in good condition, but gave most of his time to his studies. When the class of '78 was graduated Taft was its salutatorian, having finished second among 120. He was also elected class orator by the class. He was then not quite 21.

He went back to Cincinnati and began the study of law in his father's office, at the same time doing court reporting for the newspaper owned by his half-brother, Charles P. Taft. His salary at first was \$6 a week. He did his work so well, however, that Murat Halstead, editor of the Cincinnati Commercial Gazette, employed him to work for that paper, at the increased salary of \$25 a week.

While he was doing this he was keeping up his studies, taking the course at the Cincinnati Law School, from which he was graduated in 1880, dividing first honors with another student, and being admitted to the bar soon afterward.

#### His Respects to a Blackmailer.

That fall there occurred one of the most celebrated and characteristic incidents in his life. A man named Rose was then running a blackmailing paper in Cincinnati. He had the reputation of being a dangerous man. He had been a prize fighter, and was usually accompanied by a gang of roughs, ready to assault any whom he wanted punished. Alphonso Taft had been the unsuccessful candidate for governor at that election, and Rose's paper slanderously assailed him. For once young Taft forgot his judicial temperament and legal training, and instead of setting the law on the blackmailer he marched down to his office and gave Rose a terrific thrashing.

Rose quit Cincinnati that night and his paper never appeared again. Young Taft had had his first spectacular fight, and it was in behalf of somebody else.

It is not the purpose of this sketch to attempt a detailed biography of Mr. Taft. It merely seeks by a discussion of a few of the more important events of his life to show what manner of man he is. They reveal him as a student of application and ability; a man with an abiding sense of justice, slow to wrath, but terrible in anger; courageous, aggressively honest and straightforward; readier to take up another's cause than his own. This is a foundation on which experience may build very largely, and that is what it has done for Taft.

#### The Call to Public Office.

He was hardly out of his boyhood when he was called to public office, and in most of the years since then he has devoted himself to the public service. First he was assistant prosecuting attorney of Hamilton County, under Miller Outcalt, now one of the leading lawyers of Ohio. In 1881 he became collector of internal revenue for the first Ohio district, and demonstrated the same ability in business that he had shown in the law. A year later he resigned that office and went back to the practice of law, with his father's old partner, H. P. Lloyd. In 1884 he became the junior counsel of a Bar Committee to constitute testament proceedings against Campbell, whose methods of practicing law had brought on the hearing of the Hamilton County Court house in Cincinnati. Though technically unsuccessful, Mr. Taft made a good reputation from his conduct of this matter and Campbell was drawn from Cincinnati. In 1885 he became assistant county solicitor. Two year later Governor

Foraker appointed him Judge of the Superior Court, to succeed Judson Harmon who had resigned to enter President Cleveland's cabinet.

In 1886 Judge Taft married Miss Helen Herron, daughter of Hon. John W. Herron, of Cincinnati. They have three children, Robert Alphonso, a student at Yale, Helen, a student at Bryn Mawr, and Charles Phelps, 2d, who attends the public schools in Washington.

#### **His Judicial Career Begun.**

His appointment as Judge of the Superior Court was the beginning of the judicial career which was Taft's ambition, and for which he was so eminently fitted. He made such a record as a judge that at the close of his appointed term he was triumphantly elected for another term. But already he had attracted attention outside his state, and he had served but two years of the five years for which he had been elected when President Harrison asked him to take the difficult post of Solicitor General of the United States. This was an office of the utmost importance, involving not only wide learning and tremendous application, but the power of clear and forceful presentation of argument. Two of the cases which he conducted as solicitor general involved questions of vital importance to the entire country. The first grew out of the seal fisheries controversy with Great Britain. Mr. Taft won against such eminent counsel as Joseph H. Choate who is widely recognized as a leader of the American bar. The other was a tariff case in which the law was attacked on the ground that Speaker Reed had counted a quorum when the bill passed the House. That, too, he won. It was during his term as solicitor general that Mr. Taft met Theodore Roosevelt, then civil service commissioner, and began the friendship which has continued and grown ever since and which has had such far-reaching influence upon the lives of both men.

#### **On the Federal Bench.**

Mr. Taft's record as solicitor general so clearly proved his fitness for the bench that after three years in Washington he was sent back to Ohio as judge of the Sixth Federal Circuit, a post generally recognized as a preliminary step to the Supreme Court, which was then the goal of his ambition.

It was during his seven years on the federal bench that Mr. Taft's qualities as a judge became known throughout the country. He was called upon then to decide some of the most important cases that have ever been tried in the federal courts, in the conduct of which he established an enviable reputation for learning, courage and fairness—three essential attributes of a great jurist. His power of application and his ability to turn off enormous masses of work received ample demonstration during this time. It was in this period of his service that he rendered the labor decisions which have made him famous as an upright and fearless judge. In his treatment of both labor and capital he showed that here was a judge who knew no distinction of parties when they appeared as litigants before him. He voiced the law as he knew it and the right as he saw it, no matter where the blow fell or whom it struck. If sometimes the decisions went against what organized labor at that time believed to be its cause, it must not be forgotten that no clearer or broader statement of the true rights of labor has even been made than in some of his judicial utterances. Lawyers conducting litigation in other courts on behalf of labor unions have often cited these decisions of Judge Taft in support of their contentions. Neither should it be forgotten that one of the most important and far reaching of all his judgments was that against the Addystone Pipe Company, in which for the first time the Sherman anti-trust law was made a living, vital force for the curbing and punishment of monopoly. When this case reached the Supreme Court, Mr. Taft received the distinguished and unusual honor of having his decision quoted in full and handed down as part of the opinions of the high court which sustained him at every point.



**Pioneering the Roosevelt Policy.**

This Addystone Pipe decision marked the beginning of the struggle for federal control of interstate corporations which in the later years has come to be known as the "Roosevelt policy." Mr. Taft in an address to the American Bar Association at Detroit, in the summer of 1895, had enunciated the principle on which President Roosevelt has made his great fight for the suppression of monopoly and the abolition of special privilege. Thus Mr. Taft pioneered the way for the "Roosevelt policy."

**Blazing the Philippine Trail.**

Since the settlement of the reconstruction question no more delicate or fateful problem has confronted American statesmanship than that of the Philippines. The sudden pitching of overseas territory into our possession as a result of the war with Spain, created a situation not only unexpected but entirely without precedent. There was no guide for our statesmen. The path had to be hewed out new from the beginning. There was no crystallization of opinion among the American people as to what should be done with the Philippines. A considerable element was vigorously opposed to retaining them, but the vast majority demanded the maintenance of American sovereignty there. Among these, at first, the desire was undoubtedly due to the glamour of aggrandizement. The possibility of wealth somewhere beyond the skyline always catches the imagination, and there can be no question that the great mass of the people moved, without serious thought of the consequences, toward American exploitation of the islands.

But even at that early day there were a few—a very few—among the leaders of American thought and action, who saw clearly the responsibility thrust upon the country by the adventitious possession of the Philippines, and determined to meet it fully, no matter what clamor of opposition might arise. Among these President McKinley was one. Mr. Taft was another. Mr. Taft had been opposed to taking the islands. He was opposed to retaining them. More than all he opposed their exploitation for American benefit. He believed that the Philippines belonged to the Filipinos, and should be developed in the interest of their own people.

**Shouldering the "White Man's Burden."**

He saw the possibility of lifting a feeble, ignorant people into the light of liberty and setting them upon the path to intelligent, efficient self-government. That possibility reconciled him to the continuance of American authority over the islands, for none saw more clearly than he the chaos certain to result from immediate independence for the Filipinos, with its inevitable and speedy end in complete and hopeless subjection to some other power. Therefore when President McKinley asked him to go to Manila and undertake the difficult and thankless task of starting the Filipinos upon their true course, he sacrificed the judicial career which was his life's ambition and shouldered the "White Man's Burden." It was in March, 1900, that he received his appointment as chairman of the Philippine Commission.

Not many Americans have ever comprehended thoroughly the size of Mr. Taft's undertaking, or the full meaning of his achievement. Through a bungle in our first dealings with Aguinaldo and the Filipinos the entire native population of the islands had come to believe, with some reason, that the Americans were their enemies and had betrayed them. Mr. Taft arrived in Manila to find a people subdued by force of arms, but unanimously hostile, sullen and suspicious. They were still struggling, with the bitterness of despair, against the power in which they all saw only the hand of the oppressor.

**Overcoming the Barrier Between East and West.**

Moreover, their leaders had been inoculated with the belief that between west and east there is an impassable barrier which will always prevent the Occidental from understanding and sympathizing with the Oriental. The experience of generations had

confirmed them in that belief. The only government in their knowledge was tyranny. The only education in their history was deceit. The only tradition they possessed was hatred of oppression, made concrete for them by their experience with western domination.

That was what Mr. Taft had to face, and in three years he had overcome and changed it all. He did it by the persuasive power of the most winning personality the Filipinos had ever known. He met them on their own level. He lived with them, ate with them, drank with them, danced with them, and he showed them that here was an Occidental who could read and sympathize with the Oriental heart. He gave them a new conception of justice, and they saw with amazement that it was even-handed, respecting neither person nor condition, a great leveler, equalizing all before the law. They saw Mr. Taft understanding them better than they had understood themselves, comprehending their problems more wisely than their own leaders had done, and standing all the time like a rock solidly for their interests. They saw him opposed by almost all his countrymen in their islands, denounced and assailed with the utmost vehemence and venom by Americans simply because he steadfastly resisted American exploitation and persisted in his declaration that the Philippines should be for the Filipinos. They saw him laboring day and night in their behalf and facing death itself with cheerful resignation in order to carry on their cause. It was a revelation to them. It was something beyond their previous ken, outside of all their experience, their education and their tradition. It convinced them.

#### A Revelation to the Filipinos.

Mr. Taft gave them concrete examples of disinterestedness and good faith, which they could not fail to comprehend. He gave them schools and the opportunity of education, one of the dearest wishes of the whole people. No man who was not in the Philippines in the early days of the American occupation will ever understand thoroughly with what pitiful eagerness the Filipino people desired to learn. Men, women and children, white haired grandfathers and grandmothers craved above everything the opportunity to go to school and receive instruction in the simplest rudiments. It is difficult to tell how deeply that eager desire touched Mr. Taft and how earnestly he responded to it.

But education was only a beginning. Mr. Taft gave the Filipinos the opportunity to own their own homes. It was another concrete example of simple justice. When they saw him negotiating for the friar lands, securing for the Filipinos the right to buy those lands on easy terms, it went home to the dullest among them that he was working unselfishly in their behalf.

And they saw his justice in their courts. For the first time in all their experience the poorest and humblest Filipino found himself able to secure an even-handed honest decision, without purchase and without influence.

Even that was not all. They saw Mr. Taft literally and faithfully keeping his promise and calling Filipinos to share in their own government, not merely in the subordinate and lowly places which they had been able to purchase from their old masters, but in the highest and most responsible posts. They saw men of their race called to membership in the commission, in the supreme court, and in all the other branches of their government. And they believed the promise of even wider experience of self-government to come.

#### An Unparalleled Achievement.

It was a practical demonstration of honesty and good faith such as the Philippines had never known. It was a showing of sympathy, justice and comprehension which could not be resisted. Conviction followed it inevitably. The whole people knew—because they saw—that the Philippines were to be maintained for the Filipinos, and they recognized their own unfitness for the full responsibilities of independent self-government, and cheerfully set themselves to the task of preparation.

*That is the achievement of Mr. Taft in the Philippines. It*



has scarcely a parallel in history. What it cost him he paid without question or complaint. He had given up his judicial career when he went to Manila. But three times in the course of his service for the Filipinos the opportunity to re-enter it came to him, each time with an offer of a place on the supreme court which had been his life-long goal. Each time he refused it. Not even President Roosevelt understood the call to Mr. Taft from the Filipinos, and when he offered a supreme court justiceship to Mr. Taft he accompanied it with almost a command. But Mr. Taft declined. He saw clearly his duty lay to the people whom he had led to believe in him as the personification of American justice and good faith, and he made the President see it too. How the Filipinos felt was shown when on hearing of the danger that Mr. Taft might be called away from Manila, they flocked in thousands about his residence and begged him not to go. When ultimately he did leave the islands it was only to come home as Secretary of War, in which office he could continue his direction of Philippine affairs and make sure that there should be no deviation from the successful line of policy he had marked out.

#### **The Birth of a Nation.**

What is the result? The birth of a nation. The great, powerful American people, through the compelling agency of Mr. Taft, has paused ever so slightly in its triumphant onward march, to stoop down and lift up a feeble, ignorant and helpless people and set it on the broad highway to liberty. Vaguely, uncertainly, not comprehending clearly just what it was doing, not understanding always fully either the object or the means of accomplishment, but its heart right, and submitting confidently to the leadership of a man in whom it trusted implicitly, this nation has assisted in a new birth of freedom for a lowly and oppressed people. To William Howard Taft belongs the lion's share of the credit. Not often is it given to one man to do such work for humanity. Seldom is such altruism as his displayed. Many other honors have come to him; many others will yet come. Among them all none will be of greater significance or of more lasting value than his work for the Filipinos.

#### **Secretary of War.**

It is not important here to discuss in detail Mr. Taft's administration of the War Department since he succeeded Elihu Root as Secretary of War on February 1, 1904. He has been at the head of it during the years of its greatest range of activity. He is not merely Secretary of the Army, as almost all his predecessors were. He is Secretary of the Colonies. Under his direction are matters of the utmost importance affecting every one of the over-sea possessions of the United States. The affairs of the army alone have often proved sufficient to occupy the whole attention of an able secretary. Mr. Taft has had to handle not only those and the Philippine and Cuban business, but to direct the construction of the Panama Canal as well. And at not infrequent intervals he has been called on to participate in the direction of other weighty affairs of government. He has been the general adviser of President Roosevelt and has been called into consultation on every important matter which has required governmental action.

The administration of canal affairs has required in a high degree that quality described as executive ability. The building of a canal is a tremendous enterprise, calling constantly for the exercise of sound business judgment. In it Mr. Taft has displayed in ripened proportions the abilities he foreshadowed when solicitor general and collector of internal revenue.

#### **Building the Canal.**

When Mr. Taft became Secretary of War this country had just taken possession of the canal zone, under treaty with the republic of Panama, and of the old canal property, including the Panama railroad, by purchase from the French company. The work was all to do. The country expected the dirt to fly at once. The newspapers and periodicals were full of cartoons representing Uncle Sam in long boots with a spade on his shoulder, striding down to the isthmus to begin digging. But before there could

be any real excavation there was a tremendous task to meet. First of all the isthmus must be changed from a disease breeding pest-hole to a place where Americans could live and work in safety. The canal zone must be cleaned up, mosquitoes stamped out and the place made sweet and healthy. Habitations must be constructed for many thousands of workmen and their families. The cities of Panama and Colon, at the terminal of the canal, must be made thoroughly sanitary and supplied with water and sewers. An organization for the work of canal construction must be perfected and millions of dollars worth of machinery and supplies must be purchased and transported to the isthmus.

All these things, however, were of a purely business character. It required only time and ability to handle them properly. But there was another matter to be taken care of before these could be undertaken, and it was of a decidedly different nature. The Hay-Varilla treaty with Panama had secured to the United States all the rights necessary for complete control of the canal zone, and it became of the utmost importance to insure the maintenance of friendly relations with the people of the isthmus republic. It would certainly greatly increase the ordinary difficulties of building the canal if our people had to encounter the hostilities of the Panamanians.

Here was a problem largely similar to that met by Mr. Taft in the Philippines, and calling for the exercise of the same qualities of tact, sympathy, justice and patience which he had exhibited in the Far East.

It became his task to convince the Panamanian people and government that the United States had not gone to the isthmus to build a rival state instead of a canal. As head of the War Department, and the superior of the Canal Commission, he has conducted all the affairs of this Government with the Republic of Panama since the ratification of the original treaty, and has succeeded in keeping our relations with the isthmus uniformly pleasant. Always, at least once a year, he has made a trip to the canal zone and examined affairs there with his own eyes. He has just returned from the isthmus, the President having sent him there to settle a number of questions which required his personal consideration on the ground. Perhaps some conception of his responsibilities on the isthmus may be had from the fact that since the actual work of canal building began there has been spent on it upward of \$80,000,000, and every dollar of that expenditure required and received his approval.

#### **Real Self-Government for Cuba.**

Aside from the Philippines and the Canal the greatest call that has been made upon Mr. Taft since he became Secretary of War came from Cuba. This was a case largely similar to the Philippine problem. The American people have so long imbibed the theory and practice of self-government with their mothers' milk that they have developed a tendency to believe any people fitted for it who desire it. To us liberty is self-government, but to many a people with neither experience nor tradition of anything but practical autocracy self-government is only license. So it was with the Cubans. When our intervention had freed that island from the Spanish yoke we deemed it sufficient insurance of successful government for the Cubans to require them to adopt a constitution before we turned the island over to them. We ignored the fact that Cuba had no experience of constitutions or understanding of their functions. So when Cuba had conformed to our requirement we sailed away from Havana and left her to work out her own salvation unaided and untaught.

The result of that folly was inevitable and not long delayed. The Cubans having adopted a constitution they had not the slightest idea of what to do with it. They proceeded to govern under the only system of which they had any knowledge. The proclamation of the President took the place of the old royal decree. He created by his fiat the departments of government which should have been established by law of Congress under authority of the Constitution. Freedom in the American sense was unknown in Cuba.



**Order Out of Chaos.**

The experiment was aimed toward chaos and its expectation was quickly realized. In September, 1906, the United States had to intervene again, and the task fell on Mr. Taft. Fortunate it was both for the United States and Cuba that it was so. With his experience of the Filipino as a guide and the magnetism of his personality as a lever, Mr. Taft placated the warring factions and secured peaceable intervention. Then he devised and set up a provisional government which all the Cubans accepted.

It was the intention then to maintain the government only long enough to give the Cubans a fair election at which they might select their own government by full and free expression of their own will. But almost immediately the provisional government discovered the fundamental mistake made by the earlier American administration. It found that the Cubans had been attempting to administer a government which never had been organized and existed only by virtue of the President's will. Patiently the provisional government set to work, under the direction of Mr. Taft, to provide the organization under the fundamental law which the Cubans had never known was the essential of successful self-government. The work is now nearing completion, and when next the Americans quit Havana it will be after turning over to the Cubans a government machine properly established and fully equipped, whose operation they have been taught to understand and control. Thus, to two peoples has Mr. Taft been called upon to give instruction in practical self-government.

The character of Mr. Taft is the resultant of strongly contrasting forces. He is a man who laughs and fights. From his boyhood, good nature and good humor have been the traits which always received notice first. But all the time he has been capable of a splendid wrath, which now and then has blazed out, under righteous provocation, to the utter consternation and undoing of its object. Because he is always ready to laugh, and has a great roar of enjoyment to signify his appreciation of the humorous, men who have not observed him closely have often failed to understand that he is just as ready to fight, with energy and determination, for any cause that has won his support. But it is almost always some other man's cause which enlists him. His battles have been in other interests than his own. First of all he is an altruist, and then a fighter.

**A Combative Altruist.**

This combative altruism is Mr. Taft's most distinguished characteristic. As Secretary of War he has earned the worldwide sobriquet of "Secretary of Peace." He has fought some hard battles, but they were with bloodless weapons, and the results were victories for peace. The greater the degree of altruism the keener was his zeal, the harder and more persistent his battle. The greatest struggle of his career, in which he disregarded utterly his settled ambition, and cheerfully faced a continuing serious menace to life itself, was on behalf of the weakest and most helpless object in whose cause he was ever enlisted—the Filipino people. That was the purest and loftiest altruism.

But although this is the dominant trait of Mr. Taft, he is well known for other qualities. His judicial temperment, founded upon a deep-seated, comprehensive and ever alert sense of right and wrong; his courage, proved by repeated and strenuous tests; his calm, imperturbable judgment, and his all embracing sympathy are characteristics that have been often and widely noted. They are his by right of inheritance from generations of broad-minded, upright men and women. The development of his country has extended the range of his opportunity and given greater scope to his activities than was enjoyed by Alphonso Taft, his father, or Peter Rawson Taft, his grandfather, but in character and intellect he is their true descendent.

The American people know Mr. Taft as a man of pervasive good humor, always ready with a hearty laugh, and quick to see fun in any situation. His other side has not often appeared.

but he is capable of tremendous wrath. Nothing arouses it more quickly than unfaithfulness to a trust or an exhibition of deceit. Injustice in any form stirs him to the bottom instantly. He has a broad, keen, quick, all-embracing sympathy always ready to respond to any call. His sense of justice is wonderfully quick-springing and alert. And he has a genuine fondness for work, which enables him to derive real pleasure from his task. These qualifications are the endowment of an unusually gifted man. The people know, because they have seen, his ability to turn off an enormous amount of work. They have seen him prove an exceptional executive ability. They have seen him manifest an equipment for the Presidency such as no other man has shown before his election to that office. In experience, training and ability, Mr. Taft has amply proved his fitness for the chief magistracy of the nation.

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Our country is growing better, not worse.—Hon. C. W. Fairbanks, at Baldwin, Kas., June 7, 1901.

No men living are more worthy to be trusted than those who toil up from poverty; none less inclined to take or touch aught which they have not honestly earned.—Lincoln.

Whenever called upon, the negro has never failed to make sacrifices for this, the only country he has, and the only flag he loves.—Hon. Wm. H. Taft, at Plymouth Church, Brooklyn.

I am opposed to free trade because it degrades American labor; I am opposed to free silver because it degrades American money.—Maj. Wm. McKinley to Homestead workmen, Sept. 12, 1896.

This is an era of great combination both of labor and of capital. In many ways these combinations have worked for good; but they must work under the law.—President Roosevelt at Charleston, April 9, 1902.

I would favor a provision allowing the defendant in contempt proceedings to challenge the judge issuing the injunction, and to call for the designation of another judge to hear the issue.—Hon. Wm. H. Taft, at Cooper Union, New York City.

The American test should be the test of integrity, loyalty, and incorruptible devotion, whether in the discharge of public or private business.—Address of Secretary Cortelyou, at the annual banquet of the Auburn Business Men's Association, Auburn, N. Y., Wednesday, April 22, 1908.

Our political campaigns must be conducted upon the high plane of principle, in which the fullest discussion of policies shall be encouraged, but in which misrepresentation and abuse shall have no part.—Postmaster-General Cortelyou, at the annual banquet of the Lincoln Republican Club, Grand Rapids, Mich., Feb. 12, 1906.

I do not know any place which thrills one's bosom with patriotic ecstasy as the sepulchre of the unknown dead in Arlington Cemetery. The thought of the heroism and sacrifice of those who, without a murmur and without even hope of personal credit or glory, gave up all to maintain a sacred cause, makes all motives of personal advancement of ambition seem small and sordid.—Hon. Wm. H. Taft, at Riverside Park, New York.

We must approach every public question with a determination to be fair and just in its discussion. Reforms to be practical must be reasonable. They must begin among the people whose safeguard is the ballot, through which every offender can be ultimately reached.—Extract from address of Postmaster-General Cortelyou on Lincoln's Influence on American Life.

Taking the work of the Army and civil authorities together, it may be questioned whether anywhere else in modern times the world has seen a better example of real constructive statesmanship than our people have given in the Philippine Islands.—President Roosevelt's annual message, second session, Fifty-seventh Congress.

Anything that makes capital idle, or which reduces or destroys it, must reduce both wages and the opportunity to earn wages. It only requires the effects of a panic through which we are passing, or through which we passed in 1893 to 1895, to show how closely united in a common interest we all are in modern society. We are in the same boat, and financial and business storms which affect one are certain to affect all others.—Hon. Wm. H. Taft, at Cooper Union, New York City.

## JAMES SCHOOLCRAFT SHERMAN

### REPUBLICAN NOMINEE FOR VICE-PRESIDENT

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JAMES SCHOOLCRAFT SHERMAN, the Republican nominee for Vice-President, was born October 25, 1855, in the same ward of the City of Utica in which he now lives. The house Mr. Sherman now occupies is only a half a dozen squares from the house where he was born.

Mr. Sherman can trace his ancestry back to Sir Henry Sherman, of Dedham, England, in the sixteenth century, and the male succession comes down through Henry, Samuel, Malip, Benjamin, Jonathan first, Jonathan second, Robert, Willett H., and Richard U.

Richard U. Sherman's mother was Catharine Schoolcraft, a daughter of Lawrence Schoolcraft, a Revolutionary soldier and friend of the Indians of the Mohawk Valley. The candidate was named for his grandmother's brother, James Schoolcraft.

Richard U. Sherman, the Congressman's father, was born in Vernon, Oneida County, New York, and was by profession an editor, although a large portion of his life was spent in public service. He was Major-General of the State Militia, an alderman of Utica, a member of the Board of Supervisors, Chairman of the Board for a half a dozen years, Clerk of the New York State Assembly, three times a member of the Assembly, author of the Manual which is still in use in the Assembly, and was a member of the Constitutional Convention of the State in 1867. He was for fifteen years President of the Fish, Forest and Game Commission, and very much interested in the preservation of the Adirondaeks. He was Tally Clerk of the House of Representatives from 1860 to 1870, and in 1872 was the Liberal Republican candidate for member of Congress.

After retiring from active business, Richard U. Sherman accepted the office of President of the village of New Hartford, and also occupied the position of Justice of the Peace, and in the discharge of his duties as such spent most of his time in bringing about amicable settlements of neighborhood disputes.

Congressman Sherman's mother was Mary F. Sherman, a lady of most beautiful character, whose activities outside of her family cares were devoted to charitable and Christian work. She was a woman of fine mind, whose influence was felt not alone by her family, but by all with whom she came in contact. The memory of her acts of charity and kindness and the pleasant words and unbounded hospitality is treasured by all who came within her circle.

Up to the time of his marriage, Richard U., the father, had spelled his name with an "a," (Shearman). At the time of his marriage the "a" was dropped. The relationship between the two was remote.

When James S. Sherman was two years old his father moved, with his family, to a farm two miles south of the village of

New Hartford. Here they lived until 1868. In the fall of 1868, Mr. Sherman's parents purchased a house in the village of New Hartford, where they continued to live until the death of Mr. Sherman's mother in 1896, his father having died the year previous.

Mr. Sherman lived with his parents until 1881, when he was married at East Orange, N. J., to Carrie Babcock, taking up his residence in the Seventh Ward of the City of Utica, two blocks from where he now resides.

While Mr. Sherman lived on his father's farm he attended the district school, half a mile from home, and, when old enough to do so, he assisted in doing such work on the farm as a boy of his years would be capable of doing. After removing to the village of New Hartford he attended the public school in that town, and later attended the Utica Academy, which was four miles distant from his home, connected by a street car service. Later he attended the Whitestown Seminary, a preparatory school situated in the village of Whitesboro, four miles distant. This was a co-educational institution, with a very large attendance. From this school young Sherman entered Hamilton College in the fall of 1874, and was graduated in 1878. In school and college he was distinguished for general goodfellowship rather than scholarship. He gained a considerable reputation as a declaimer in both school and college, carrying off the first honors in declamation at the end of his Freshman year. He also enjoyed a reputation as a debator, and was one of six chosen from his class at the conclusion of his Senior year to contest for prizes.

After leaving college Mr. Sherman began, at once, the study of law in the office of Beardsley, Cookinham and Burdick, at Utica, N. Y. He was admitted to practice two years later, and at once formed a partnership with Hon. H. J. Cookinham, his brother-in-law, and former Mayor John G. Gibson. He continued the practice of law in partnership with Mr. Cookinham, with various changes in the personnel of the firm, until January 1, 1907, when he withdrew as a member of the law firm. In his law practice his work partook more of an office business than an advocate.

In 1899, with other Utica business men, he organized the Utica Trust and Deposit Company, now one of the leading banks of Central New York and was chosen as its President, which position he has since occupied. The New Hartford Canning Company was organized in 1881 by his father and another gentleman, and after his father's death he became president of the company. He is also interested, in various ways, in many other local enterprises.

Mr. Sherman's first active work in politics was the year succeeding his graduation from college, when he spoke a few times in different parts of the county in advocacy of the election of Alonzo B. Cornell, Republican candidate for Governor, making his first speech in the town of his residence. During the last fifteen years Mr. Sherman has campaigned in various parts of the State, having spoken in most of the important cities, and in a great many minor places, as well as in half a dozen or more other States. During various campaigns he has spoken in substantially every town in Oneida and Herkimer counties. He was chosen Mayor of Utica in 1884. The city was then, as now, normally Democratic, but he was elected by a substantial



Republican majority. At the end of his term, which was for one year, he declined a unanimous renomination.

He was first named for Congress in 1886, the contest for the nomination being quite a spirited one, there being half a dozen candidates, his chief competitor being the Hon. Henry J. Coggeshall, then State Senator from that district.

Mr. Sherman was renominated each succeeding two years by acclamation until 1896, when there was a contest for the nomination, his competitors being Hon. Seth G. Heacock, of Herkimer, now State Senator, and John I. Sayles of Rome, Oneida County. Since that time he has been nominated by acclamation each succeeding two years until the present time. He presided over the State convention in 1895 as temporary chairman, and over the State conventions of 1900 and 1908 as permanent chairman. He was secretary of the Oneida County Republican Committee in 1882, and for the three following years was chairman of that committee. He was a delegate to the Republican National Convention in 1892.

In 1898 Mr. Sherman was appointed by President McKinley a member of the Board of General Appraisers of the City of New York, and the nomination was confirmed by the Senate. It was his desire, at the time, to accept the appointment, but political and business friends at home, including the Chamber of Commerce and the Republican County Committee, passed resolutions and appointed a committee to wait upon him and urge him not to retire as a member of Congress, and, in conformity with the desires of his constituents, he declined the appointment.

Two years later he was tendered, by the Steering Committee of the Senate, the position of Secretary of the U. S. Senate. Realizing that the wishes of his constituents had not changed within the two years, he declined this position.

Mr. Sherman was the orator on the occasion of the laying of the corner-stone of the building presented to the Oneida Historical Society of Utica. He was also the orator on the presentation of the Butler Memorial Home by the late Morgan Butler to the town of Hartford. The Indian School of Riverside, Cal., was, at the request of the people of Riverside, named by the then Commissioner of Indian Affairs, Sherman Institute, in his honor.

Mr. Sherman, early in his congressional career, became a prominent member of the House, and during the last few terms of Congress has been numbered among the leaders. His parliamentary ability was early recognized, and, perhaps, no other member has so frequently been called to the chair to preside over the Committee of the Whole. He was one of the closest friends of Speaker Reed, as he was of Speaker Henderson, and has been, and is, of Speaker Cannon.

Mr. Sherman was a candidate for the speakership when Thomas B. Reed retired. For twelve years he has been Chairman of the Committee on Indian Affairs, and his work, at the head of that Committee, has received unstinted praise from all concerned in the work of the Committee, without regard to party. He is, at present, also a member of the Committee on Rules and of Interstate and Foreign Commerce.

Had Mr. Sherman remained a member of the House, there is no doubt whatever that he would have been elected *Speaker* at the conclusion of Mr. Cannon's incumbency of that office.

Mr. Sherman, besides being prominently connected with many business institutions of his city and elsewhere, is a member of many social and fraternal organizations. He is a member of the Fort Schuyler Club of Utica, and the Sadaquada and Yahnandasias Golf Clubs. Of the Yahnandasias Club he has been Governor for seven or eight years, and was its President for two years. He is a member of the Arcanum Club of Utica, and a member of the Royal Arcanum and the Order of Elks. He is also a member of the Union League Club, Transportation Club and the Republican Club of the City of New York, and the Columbia Golf Club of Washington. He is a trustee of Hamilton College, which gave him the degree of LL. D. in 1905, and President of the Washington Alumni Association of that college. In college he was a member of the Sigma Phi Society, the second oldest college society in America, of which society Secretary of State Root and the late Senator Ingalls of Kansas, and many other prominent men have been members.

Mr. Sherman has been a regular attendant at the Dutch Reformed Church in Utica since his marriage in 1881. Prior to that time he had been attending the Presbyterian Church at New Hartford. For five years just passed he has been treasurer of his church, and for three years, Chairman of the Board of Trustees.

Mr. Sherman has three sons: Sherrill, aged twenty-five, who is note teller in the Utica Trust & Deposit Co.; Richard U., aged twenty-three, who is acting professor of mathematics at Hamilton College, and Thomas M., aged twenty-two, who is secretary of the Smyth-Despart Co., dealers in mill supplies, at Utica. Sherrill and Thomas are married, and each has a daughter, both of whom are idols of their grandparen's, in whose company they spend as much time as possible.

Mr. Sherman's home life is an ideal one. A part of the house in which he lives is over a century old, and full of many relics—not only of historical interest in Oneida County, but gathered from all parts of the United States—particularly Indian relics, in which subject Mr. Sherman has, for a long time, been deeply interested because of his Chairmanship of the Committee on Indian Affairs of the House of Representatives. With ample lawn and garden plots, Mrs. Sherman's desire to cultivate every possible blossom and flower is carried out to the full, and during the spring, summer and fall, nearly every room in the house has its vase of freshly cut flowers from the yard and garden.

Living, as he does, in the vicinity in which he has made his home since birth, and with his splendid record and high attainments, it is no wonder that James S. Sherman is looked upon as the first citizen of, not only Utica, but of the surrounding counties. At his home-coming following his nomination, the city saw its largest celebration in its history, and this means much in the city or county that has held such men as Roscoe Conkling, Francis Kernan and Horatio Seymour. The welcome was absolutely non-partisan in character; in fact, it seems as if the Democrats were bound to outdo their Republican neighbors in showing their appreciation of the honor that had come to their city.

To one visiting Utica at the present time and giving his impression in a single sentence, it would be: "How Utica does love Jim Sherman, and how Jim Sherman loves Utica."

# ADDRESS OF HON. JAMES S. SHERMAN

In Response to Notification Speech at Utica, N. Y., August 18, 1908.

Senator Burrows and Gentlemen of the Notification Committee:

Your chairman, speaking for the committee, has notified me of my nomination by the Republican National Convention, held in Chicago in June, as the party's candidate for Vice-President. As I chanced to be in Chicago in June, I had an inkling of the convention's action, which was confirmed by a warm-hearted reception tendered me by my neighbors on the occasion of my home-coming on July 2.

## In Accord With Mr. Taft.

This official notification, however, is welcome and the nomination you tender me is accepted; accepted with a gratitude commensurate with the great honor conferred; accepted with a full appreciation of the obligations which accompany that honor, an honor greater because my name is linked with that of William H. Taft, whom I respect and esteem highly and who approaches the high office of President exceptionally well equipped to discharge the duties and bear the varied and weighty responsibilities of that exalted position. My acceptance could not be made with honor unless I were in full accord with the declaration of principles adopted by the convention. Not only am I in full and complete accord with my party's platform, but I endorse every word of the statement made by Mr. Taft in his address of acceptance when notified of his nomination as the Republican candidate for President.

That speech fully and comprehensively discusses the issues of this campaign as presented by the platforms of the two great parties, so that it is appropriate that my statement should be short. Those not convinced by the presentation of Mr. Taft I could not hope to persuade. It is, however, in conformity with custom that I refer at least briefly to some of the important issues of the campaign.

## A Discussion of the Tariff Issue.

First, then, let me say that I am a protectionist. I am sufficiently practical to value the utility of a fact higher than the beauty of a theory, and I am a protectionist because experience has demonstrated that the application of that principle has lifted us as a nation to a plane of prosperity above that occupied by any other people.

I especially commend that plan of our platform which promises an early revision of tariff schedules. That pledge will be fulfilled in an adjustment based in every particular upon the broad principles of protection for all American interests; alike for labor, for capital, for producers and consumers. The Dingley Bill, when enacted, was well adapted to the then existing conditions. The developments of industrial prosperity in a decade, which in volume and degree have surpassed our most roseate expectations, have so altered conditions that in certain details of schedules they no longer in every particular mete out justice to all. In this readjustment the principle of protection must and will govern; such duties must and will be imposed as will equalize the cost of production at home and abroad and insure a reasonable profit to all American interests. The Republican idea of such a profit embraces not alone the manufacturer, not alone the capital invested, but all engaged in American production, the employer and employed, the artisan, the farmer, the miner and those engaged in transportation and trade; broadly speaking, those engaged in every pursuit and calling which our tariff directly or indirectly affects. During a statutory application of

this principle, prosperity has bided with us. When a revenue tariff has been the law, adversity and want have been our portion. Our Democratic brethren, whose memories are as short as their promises are frail, and who have always exhibited a lack of capacity to profit by experience, unmindful of the distress and destruction that arrived and departed with the last Democratic administration, declare in their platform that they favor such immediate revision of \* \* \* schedules as may be necessary to restore the tariff to a revenue basis." A "revenue basis," a "tariff for revenue only," "ultimate free trade"—all have an identical meaning; that meaning being an assault upon American industries, an attack upon the American wage scale, a lessening demand for the products of American soil and American toil; less work, less pay, less of the necessities and comforts of life. In the light of history, what issue of the campaign so vitally affects American citizens? Experience, that effective teacher—effective save with the one-man power now parading under the title of the Democratic party—has taught the nation a valuable lesson and the result of the coming November election will once more prove the American people to be apt scholars. What the laborer of the land, skilled and unskilled, desires is the opportunity at all times to exchange his brain and brawn for good pay in good money. A protective tariff and the gold standard, both now the existing achievements of the Republican party, in spite of Democratic opposition, give the laborer that opportunity.

#### **Enactments of Labor.**

The Republican party believes in the equality of all men before the law; believes in granting labor's every request that does not seek to accord rights to one man denied to another. Fair-minded labor asks no more, no less, and approves the record of the Republican party because of that party's acts.

I have helped to make my party's record in the enactment of the Eight-Hour Law, the Employers' Liability Act, the statutes to minimize the hazard of railroad employees, the Child Labor Law for the District of Columbia, and other enactments designed especially to improve the conditions of labor. I cannot hope to better state my position on injunctions than by a specific endorsement of Mr. Taft's Cincinnati declaration on that subject. That endorsement I make.

#### **The Colored Race.**

As a nation our duty compels that by every constitutional and reasonable means the material and educational condition of the colored race be advanced. This we owe to ourselves as well as to them. As the result of a course of events that can never be reversed, they are a part of our civilization; their prosperity is our prosperity; their debasement would be our misfortune. The Republican party, therefore, will offer every encouragement to the thrift, industry and intelligence that will better their prospect of higher attainment.

#### **Army and Navy and Merchant Marine.**

I believe in the maintenance of such an army, the upbuilding of such a navy as will be the guarantee of the protection of American citizens and American interests everywhere, and an omen of peace; that at every exposed point we may be so fortified that no power on earth may be tempted to molest us. I believe in the restoration of the American merchant marine and in rendering whatever financial aid may be necessary to accomplish this purpose.

I approve the movement for the conservation of our natural resources; the fostering of friendly foreign relations; the enforcement of our Civil Service Law, and the enactment of such statutes as will more securely and more effectively preserve the public health.

#### **Adherence to Roosevelt Policies.**

*Our platform, as it should do, pledges adherence to the policies of President Roosevelt; promises to continue the work inaugurated during his administration, to insure to persons and*



property every proper safeguard and all necessary strengthening of administrative methods will be provided to furnish efficient inspection and supervision, and prompt righting of every injustice, discrimination and wrong.

I have not touched upon every plank of our splendid platform, but I reiterate my full and unqualified approval of its every promise.

#### **No Class Legislation.**

I emphasize as my party's creed and my faith that in legislation and administration favor should be extended to no class, no sect, no race, no section as opposed to another. To foster class hatred, to foster discontent, is un-Republican and un-American. Our party stands on the declaration that all men are created with equal rights and it will have no party in the enactment of execution of any law that does not apply alike to all good American citizens, whatever their calling or wherever they live. It will allow no man in our land to have advantage in law over any other man. It offers no safeguard to capital that is not guaranteed to labor; no protection to the workman that is not insured to his employer. It would offer to each and to both in pursuit of health and happiness and prosperity every possible advantage.

The work that has been given the Republican party to do has been of immense importance. Much of that work has been fully accomplished; some has yet to be completed. Republican declarations once in our platform and no longer there, are complete because they have become accomplished facts. On the other hand, Democratic declarations have been abandoned because the voters have pronounced them to be unwise and unsafe and unsuited to our time and our country.

#### **The People Rule.**

"Shall the people rule?" is declared by the Democratic platform and candidate to be "the overshadowing issue \* \* \* now under discussion." It is no issue. Surely the people shall rule, surely the people have ruled; surely the people do rule. No party rules. The party, commissioned by the people, is simply the instrument to execute the people's will, and from that party which does not obey their expressed will, or which lacks the wisdom to lead successfully, the people will withdraw their commission.

For half a century, with but two exceptions, the people have commissioned the Republican party to administer the National Government; commissioned it because its declared principles appealed to their best judgment; commissioned it because the common sense of the American people scented danger in Democratic policies. Ours always has been, always must be, a government of the people. That party will, after March 4 next, execute old laws and enact new ones as in November it is commissioned by the people to do. That commission will be from an untrammelled American electorate. Shame on the party which, shame on the candidate who, insults the American people by suggestion or declaration that a majority of its electorate is venal. The American voter, with rare exception, in casting his ballot, is guided by his best judgment, by his desire to conserve his own and the public weal.

#### **The Overshadowing Issue and Party Record.**

The overshadowing issue of the campaign really is: shall the administration of President Roosevelt be approved; shall a party of demonstrated capacity in administrative affairs be continued in power, shall the reins of government be placed in experienced hands, or do the people prefer to trust their destinies to an aggregation of experimental malcontents and theorists, whose only claim to a history is a party name they pilfered.

With a record of four decades of wise legislation; two score years of faithful administration; offering its fulfilled pledges as a guaranty of its promises for the future, the Republican party appeals to the people and, with full confidence in their wisdom and patriotism, awaits the rendition of the November verdict.

# Rural Free Delivery.

## SPEECH

OF

HON. ARTHUR L. BATES,  
OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES.

Tuesday, May 26, 1908

Mr. BATES said:

Mr. SPEAKER: The rural free-delivery service has fully kept pace with the growth and development of our whole country. The farmer is now reaping some of the rewards he has so justly earned in the past by the burdens that he has borne. He is the producer of wealth. He is coming to be one of the most independent of all our citizens. No branch of the public service has been so well developed and improved in the past few years as the rural free delivery. There were only 8,000 rural routes in operation six years ago. There are now almost 40,000, and these are scattered through every State and Territory of the country, so that there is not a rural section in the whole land that is not practically covered. This entire service has been extended from a small beginning eleven years ago, during the three Republican Administrations with which the country has been blessed since 1897. I believe that the appropriation of \$35,000,000 made this year for the support of rural free-delivery service brings more direct benefit to the people of this country whom it affects than almost any other appropriation made by the General Government.

In 1900 President McKinley, in his message to Congress, in speaking of the postal service, used language as follows:

"Its most striking new development is the extension of rural free delivery. \* \* \* This service ameliorates the isolation of farm life, conduces to good roads, and quickens and extends the dissemination of general information. Experience thus far has tended to allay the apprehension that it would be so expensive as to forbid its general adoption or make it a serious burden. Its actual application has shown that it increases postal receipts and can be accompanied by reduction in other branches of the service, so that the augmented revenues and accomplished savings together materially reduce the net cost."

In his first message to Congress President Roosevelt said:

*Among the recent postal advances the success of rural free delivery wherever established has been so marked and actual experience has made its benefits so plain that the demand for its*

extension is general and urgent. It is just that the great agricultural population should share in the improvements of this service.

Again, in his last annual message, the President says:

"The rural free-delivery service has been steadily extended. The attention of Congress is asked to the question of the compensation of the letter carriers and clerks engaged in the postal service, especially on the new rural free-delivery routes. More routes have been installed since the 1st of July last than in any like period in the Department's history. While a due regard to economy must be kept in mind in the establishment of new routes, yet the extension of the rural free-delivery system must be continued for reasons of sound public policy. No governmental movement of recent years has resulted in greater immediate benefit to the people of the country districts.

"Rural free delivery, taken in connection with the telephone, the bicycle, and the trolley, accomplishes much toward lessening the isolation of farm life and making it brighter and more attractive. In the immediate past the lack of just such facilities as these has driven many of the more active and restless young men and women from the farms to the cities, for they rebelled at loneliness and lack of mental companionship. It is unhealthy and undesirable for the cities to grow at the expense of the country; and rural free delivery is not only a good thing in itself, but is good because it is one of the causes which check this unwholesome tendency toward the urban concentration of our population at the expense of the country districts."

These indorsements demonstrate beyond the possibility of question that under Republican rule this service, fraught with so much good to the people of the rural communities, has been nurtured and cared for until it has become one of our permanent institutions, against which no political party will ever dare raise a voice.

At present New York has nearly 2,000 routes in operation; Pennsylvania, 2,100; Indiana, 2,200; Ohio, 2,500; Illinois, 2,800; Minnesota, 1,600; Missouri, 2,000; Nebraska, 1,000. In fact, almost all cases pending during the past year have been disposed of, and wherever an adequate number of people desired the service it has been established and put in daily use.

#### INCREASED VALUE OF FARM LANDS.

The testimony of those who enjoy this service from all over the country proves that by reason of the free rural delivery the actual value of farm lands has been greatly increased. I have had farmers inform me that they would not dispense with the service for \$50 or even \$100 per annum. It has been estimated that the value of farm lands has risen by this means as high as \$5 per acre in many States. A moderate estimate would show benefit to the farm lands of from \$1 to \$3 per acre.

## BETTER PRICES FOR FARM PRODUCTS.

A better knowledge of trade conditions is always of great advantage. The farmer is not only the producer, but he is also his own salesman, and it is essential that he should be acquainted with the daily prices of the produce he raises in order to know when it will be to his advantage to market his goods. He is now enabled to receive a city daily paper giving him quotations and prices of stock and produce, and in fact the changing values of everything he raises on the farm. By means of this better communication with the markets he is able to obtain better prices for all that the farm produces. He can also receive and dispatch mail much more quickly than before—in fact, he can in many cases obtain an answer to his letter on the day following its dispatch. In the old days our rural inhabitant was obliged to send to the post-office for his mail, and in the busy season, when his horses were busy in the fields, a week would sometimes elapse before he or any of his family could reach the post-office. Now there are delivered daily in the course of a year a half million pieces of mail on rural routes throughout the country to the farmers and inhabitants of the sparsely settled regions.

Increased facility always brings increased use and enjoyment. The increased number of letters written and newspapers subscribed for and received has so greatly augmented the revenues of the country's postal service as to make the rural free-delivery service almost self-sustaining.

Rural free delivery is encouraging the building of good roads. The farmer desires the delivery of his mail, and the Department wisely insists that each locality must furnish roads easily traversed if such a benefit is to be bestowed. In many localities, therefore, our people have taken the matter of good roads into consideration, and through their supervisors and commissioners have improved grades, turned waterways, built bridges, and thus not only aided the delivery of mail, but have facilitated general communication among our people.

This service has been practically established and built up within the last eleven years. During the last Administration of President Cleveland rural free delivery was condemned and rejected by the Committee on Post-Offices and Post-Roads of the House. Under this same Democratic Administration in 1894 the Postmaster-General refused to make use of the appropriation of \$10,000 offered him to begin the service. He stated that the project was unwise and could not be carried out. Under the Republican Administration it has been extended until it has become one of the most beneficial and useful portions of legislation provided by the Federal Government. It has become, under Republican prosperity and Republican administration of law, thoroughly established as one of our permanent institutions. Its general use and benefits are conclusive proof of the wisdom of recent Republican progress.



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"No men living are more worthy to be trusted than those who toil up from poverty; none less inclined to take or touch aught which they have not honestly earned."—LINCOLN.

"The American system of locating manufactories next to the plow and pasture has produced a result noticeable by the intelligent portion of all commercial nations."—GRANT.

"A currency worth less than it purports to be worth will in the end defraud not only creditors but all those who are engaged in legitimate business, and none more surely than those who are dependent upon their daily labor for their daily bread."—HAYES.

"Every citizen of the United States has an

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fixed principles the most important of which  
avowed determination to protect the  
the American producer, business  
worker and farmer alike."—ROOSEVELT

